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**AMERSHAM**

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### NEWS SUMMARY

**GENERAL**

**Move to review lorry limits**

The Government may back down on plans to raise lorry weight limits to 40 tonnes.

The move would be in response to pressure from Tory backbenchers angry at the effects of the present 32.5-tonne lorries on rural areas.

The new limit is expected to be set at 38 tonnes gross laden weight. Page 3

**Police 'problems'**

A senior police officer said Lord Sostman's report on last year's riots had made "the fight against rising crime" more difficult. Page 3

**Turkish arrests**

Turkey's martial law authorities ordered the arrest of 44 left-wing intellectuals in the biggest crackdown since the coup 17 months ago. Page 2

**Nairobi hijack**

Hijackers forced a Tanzanian airliner with 98 aboard to land in Nairobi and threatened to blow it up if it was refuelled.

**Iran toll**

Amnesty International said some 2,700 had been executed in Iran over the past eight months.

**Chile tank bar**

France suspended delivery of 29 MEX-30 tanks to Chile in line with an embargo imposed by the Mitterrand Administration. Prominent trade unionist killed. Page 2

**Payroll heist**

An armed gang escaped with £220,000 payroll money from Yarrow's shipyard at Scotstown, Glasgow.

**Rescue awards**

The went chief constable presented 16 policemen with special commendations for rescue work during last month's blizzards.

**Times hopes**

Talks between Times Newspapers and union officials representing 670 clerical workers resumed, raising hopes of agreement on job cuts before dismissals begin on March 9. Page 4

**'No' to N-plans**

A Weekend World opinion poll showed 63 per cent opposed the Trident deterrent plan. Half of those thought the UK should get rid of Polaris too.

**Seal cull plea**

The World Wildlife Fund appealed to Canada to compromise with conservationists on a seal cull quota.

**Freight by tram**

Freight is being transported by trams at night in Leipzig to save fuel.

**Curtain call**

The cash-starved D'Oyly Carte Opera Company gives its last performance tonight, but there are plans for a campaign to form a new company.

**Briefly . . .**

24 yachts set out today from Mar del Plata, Argentina, on the last leg of the Whitbread race.

Pet porcupine Spike went missing on Langley Moor, Durham.

**BUSINESS**

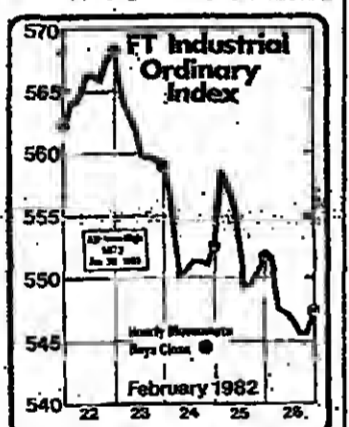
**£ slips against \$; equities weaken**

STERLING closed 1.20 cents lower against the dollar at \$1.8255, its weakest level for four months. It fell to ¥431.74 (¥432.50) but changed little against Continental currencies at DM 4.345 (DM 4.345), FF 11.075 (FF 11.0725) and SwFr 3.45 (SwFr 3.4475). Its trade-weighted index was 91.1 (91.2). Page 23

DOLLAR rose to DM 2.383 (DM 2.3685), FF 6.08 (FF 6.04), SwFr 1.893 (SwFr 1.88) and ¥236.60 (¥235.75). Its trade-weighted index was 113.3 (112.9). Page 23

GOLD fell \$1 in London to \$363. In New York, Comex March close was \$360.5. Page 23.

EQUITIES weakened, reflecting the trend in sterling due to a probable fall in North Sea oil revenue, the Prime Minister's



## Post-mortems begin into Amersham sale

BY MARGARET VAN HATTEN AND CARLI RAPOPORT

A WHITEHALL post-mortem was launched yesterday into the way the Government sold Amersham International, the radioactive materials producer. The move came amid mounting inter-departmental recriminations and a further barrage of criticism from the Opposition.

An independent investigation into the disposal of Amersham, the latest Government-owned company to be sold to private investors, is expected to be mounted by the Commons all-party Public Accounts Committee.

In addition, officials in both the Energy Department and the Treasury, the two departments involved, are to conduct a review of their role in the affair. A report will probably be forwarded to the Prime Minister.

Senior Ministers are clearly embarrassed by criticisms of the decision to sell shares in Amersham at a fixed price, rather than by tender, and by allegations that the shares were heavily underpriced.

Shares in Amersham gained 5p more in relatively quiet trading on the Stock Exchange yesterday, to close at 192p, a 5p premium over the Government's selling price of 147p. On the basis of yesterday's price, the company is valued at \$36.5m, or £25.5m more than the Government raised in its offer for sale.

Dealers said small investors continued to sell their shares as they learned of their allotments by post. Financial institutions remained willing buyers, which helped to support the big premiums on the shares.

Jobbers on the exchange, who set the prices at which brokers buy and sell shares, said yesterday that Amersham's price was "overcooked." "When all the small men get out, we'll see the shares going back to their fundamental value," one predicted.

Dealers expect most small investors to receive their shares by Tuesday.

Some 264,000 applications were received for the 50m Amersham shares and about 65,000 applicants received shares. The applications were worth more than £1.7bn, over-subscribing the issue by more than 23 times.

Labour fury over what it considers the Government's mis-handling of the sale is likely to intensify the campaign against the proposed autumn sale of British National Oil Corporation assets.

Despite the review to be carried out by Treasury and Energy Department officials, Downing Street yesterday angrily denied reports that the Prime Minister or any other minister had ordered an inquiry into the handling of the sale.

The review is expected to include the role played by Rothschild, the merchant bank which advised the Government on the sale.

Mr Michael Foot, the Labour leader, on Thursday denounced the sale as "a scandal" and the Social Democrats said the Government had "sold a successful enterprise at a knock-down price giving unjustified profits to private institutions and individuals."

This point was taken up yesterday by Mr Reg Race, Labour MP for Wood Green, who alleged that a substantial number of Tory MPs were among those to profit. One Tory MP had made "a killing," he said.

Mr Race refused to name any MP, but said he would do so if asked by any inquiry into the affair. He and Mr Jeff Rooker, Labour MP for Birmingham/Perry Bar, called on any MPs who took part in the sale to declare publicly the extent of their dealings.

Dr Stuart Burgess, chief executive of Amersham, said last night he was "jolly glad" he did not have to take a decision on the original share price. "It was really a no-win situation. Pricing the company was a very difficult exercise," he said.

Issue that shook stock market. Page 16  
Lex, Back Page

## Pound falls to 4-month low against stronger \$

By David Marsh

STERLING FELL yesterday to the lowest level since October against a generally stronger dollar, closing in London down 1.2 cents at \$1.8215.

A slight rise in Eurodollar interest rates, amid fresh worries about the U.S. money supply, gave an overall boost to the dollar in thin trading.

UK interest rates maintained their earlier trend. The Bank of England gave generous money market help to meet a large shortage of funds, whose persistence this week partly reflected the heavy over-subscription of Amersham shares.

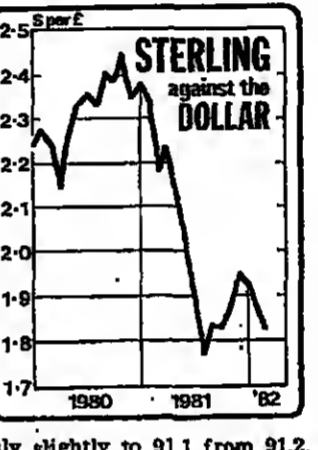
The pound help up yesterday against Continental currencies. Its trade-weighted index fell only slightly to 91.1 from 91.2.

But this week's fall in oil prices has created an undertone of weakness. The pound may have profited yesterday from small-scale Bank of England intervention after an early fall to as low as \$1.8140.

The London gilt-edged market was subdued. Prices gained slightly after-hours after the Bank of England failed to announce the tap stock expected in some quarters. But gilt-edged dealers were nervous about the possibility of sterling weakening further as a result of industry's calls for a cut in Britain's oil price.

The dollar closed in London at DM 2.3830 from Thursday's DM 2.3685 and climbed to ¥236.60 from ¥235.75.

Higher Eurodollar rates provided the main influence on trading with three month rates Continued on Back Page  
Bank interest rate initiative looks unlikely. Page 2  
Lex, Back Page



## Malaysian tin price fall hits London market

BY JOHN EDWARDS, COMMODITIES EDITOR

ANOTHER SHOCK hit the London tin market yesterday following a dramatic overnight collapse in Malaysian tin prices. The Straits tin price in Penang recorded its biggest ever daily decline, falling by 3.85 ringgits per kilo to 28.15 ringgits—the "floor" level of the International Tin Agreement.

Under the Tin Agreement, between producing and consumer countries, agreed "floor" and "ceiling" price levels are defended by a buffer stock which buys surplus supplies to stop prices falling on low and sells any holdings it has to prevent prices going too high.

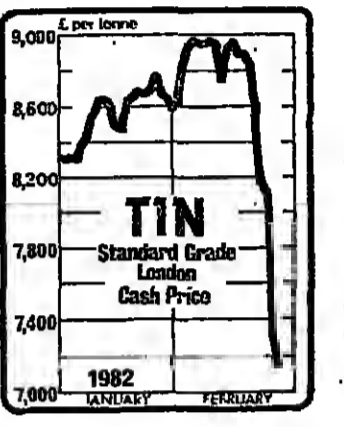
this may be only temporary. It is thought the group may want the buffer stock of the International Tin Agreement to take up some of the surplus tin which was becoming increasingly expensive to finance.

It is calculated that the buffer stock has funds to purchase 20,000 tonnes of tin and could probably borrow to buy even more. But if it buys this kind of quantity the International Tin Council will be under strong pressure to impose export quotas, which would result in the production cuts already advocated by the Malaysians—the world's biggest tin producer.

This would leave the group in a strong position to reassert control of the market. Malaysia has so far met with a lukewarm response from other leading tin exporters for its proposal to form a producers' association, dubbed Tlapec. They are, however, expected to press hard for a rise in the Tin Agreement price range at the next meeting in April. The 25-year-old Tin Agreement expires in June and there is considerable uncertainty as to whether it will be renewed.

£ in New York

Spot \$1.8280-8295 \$1.8350-8355  
1 month 20.04-0.05 pm 0.01-0.06 pm  
3 months 0.4-0.50 pm 0.58-0.63 pm  
12 months 1.90-2.10 pm 1.80-1.90 pm



## Bonn Ministers feature in tax evasion probe

BY JONATHAN CARR IN BONN

THE WEST GERMAN Economic and Finance Ministers are among nine public figures being officially investigated in connection with alleged tax evasion and illegal donations to political parties.

This announcement yesterday by the Bonn Public Prosecutor's Office casts a new shadow over Chancellor Helmut Schmidt's coalition Government, which has been under great internal strain for the past six months.

Members and supporters of the CDU, the Opposition Christian Democratic Union, are involved in the inquiries too. Yesterday the CDU was notably reserved in its reaction to the public prosecutor's announcement.

His office stressed that a decision on whether to press charges against any of those being investigated, who include Herr Hans Matthoer, Finance Minister, and Count Otto Lambdorski, Economics Minister, would be taken once the factory near Edinburg, where workers have staged a month-long sit-in to prevent the plants' closure.

More than 120 defendants from the Plessey workforce crowded into the Edinburgh Court of Session yesterday, ruling which could have considerable implications for other sit-ins.

About 200 workers, most of them women, occupied the capacitor plant at Bathgate and defied the first injunction to remove them from the plant. Plessey responded by dismissing the sit-in force.

Mr Jonathan Mitchell, for the Plessey workers, argued that the defendants were immune from prosecution for not fulfilling the injunction because under the Act their actions were in furtherance of a trade dispute.

He also said all reasonable steps had not been taken to ensure the workforce had been properly notified of the legal steps Plessey had taken against them.

Plessey will have to bear the costs of the hearing.

day that he was stepping down both as vice-president and president-elect of the Federation of German Industry (Bundesverband Deutsche Industrie).

He rejected allegations with which his name had been linked in the Press, but said he felt his involvement in the prosecutor's inquiries would prejudice his role in the BDI, and prejudice the BDI itself.

Herr von Brauchitsch's action and the announcement of the investigation bring into the open an affair which has been smouldering for months.

There have been repeated Press allegations that politicians from all parties, not just those of the Left-Liberal coalition Government, have been involved in bribery, tax-dodging or both.

In his resignation letter Herr von Brauchitsch specifically mentioned one of these allegations, namely that Flick had "bought" preferential tax treatment in connection with its sale of a 29 per cent stake in Daimler Benz.

The sale in 1975 raised about DM 2bn. Both the Economics and Finance Ministers later agreed that Flick had been able to invest most of this sum in sectors "particularly beneficial to the national economy," including the Flick concern itself, and that tax benefits could therefore be provided.

In a strong statement yesterday Herr Matthoer not only denied that he had received a bribe from Flick, but said that in hundreds of talks with businessmen and industrialists in his 10 years as Minister no-one had even hinted at the offer of a bribe.

Count Lambdorski, who is in the U.S., issued a statement through his spokesman rejecting the allegations against him, and expressing confidence that the matter would soon be cleared up.

Apart from this specific issue involving Flick, the prosecutor's inquiries involve alleged efforts to dodge West Germany's tough tax laws on financial contributions to political parties.

Under West German law individual donations to parties of up to only DM 1,800 annually are eligible for tax relief.

It is claimed therefore that the parties have set up "front organisations", some posing as charities, which are eligible for greater tax relief, and that these are being used to channel funds into political coffers.

## Plessey injunction overruled

BY MARK MEREDITH IN EDINBURGH

SCOTLAND'S LEADING civil court yesterday overruled an injunction granted to Plessey to enable it to regain its Bathgate factory near Edinburgh, where workers have staged a month-long sit-in to prevent the plants' closure.

More than 120 defendants from the Plessey workforce crowded into the Edinburgh Court of Session yesterday, ruling which could have considerable implications for other sit-ins.

About 200 workers, most of them women, occupied the capacitor plant at Bathgate and defied the first injunction to remove them from the plant. Plessey responded by dismissing the sit-in force.

Mr Jonathan Mitchell, for the Plessey workers, argued that the defendants were immune from prosecution for not fulfilling the injunction because under the Act their actions were in furtherance of a trade dispute.

He also said all reasonable steps had not been taken to ensure the workforce had been properly notified of the legal steps Plessey had taken against them.

Plessey will have to bear the costs of the hearing.

**CHIEF PRICE CHANGES YESTERDAY**  
(Prices in pence unless otherwise indicated)

RICES:	Huntley and Palmer 102 - 3
Amersham	193 + 5
Celtic Haven	19 + 5 1/2
Guinness Peat	62 + 4
Inter-City	52 + 3
Rain London	52 + 17
Southwest Cons.	39 + 6
FALLS:	
Exch. 13/1pc 1987	£201 - 1
'A' (£20 pd.)	£201 - 1
Treasury 13/1pc 1997	£201 - 1
Barclays Bank	450 - 6
Blue Circle	450 - 10
Dunelm Steels	116 - 8
Gill and Duffus	144 - 21
Grand Met.	191 - 5
Shell Expn.	338 - 10
Shell Transport	338 - 10
Ultrasmar	350 - 10
Cons. Gold Fields	420 - 22
Killinghall Tin	660 - 30
Pengkalen	305 - 15
RTZ	415 - 14
Metal Box	58 - 7
Meyer (M. L.)	58 - 7
Plassey	550 - 5
Racal Elect.	347 - 6
Reed Int.	256 - 10
Simon Eng.	387 - 8
Sketchley	273 - 14
Thoro EMI	445 - 7
Cowsey News	15 - 19
Crossword	14 - 7
Economist	17 - 14
Entertain. Weekly	14 - 14
European Options	350 - 10
Finance & Family	5 - 8
FT Actuaries	5 - 8
Company News	14 - 14
Foreign Exchange	23
Sport	15
SE Week's Deal	19
Stock Markets:	
London	24
Wall Street	29
Secours	29
Travel	28
TV and Radio	14
UK News:	
General	3
Labour	4
Unit Trusts	23, 2
Weather	25
Fidelity	1
Your Savings/bv.	4, 3
Week in the Miss.	4
Base Lending Rates	22
Building Soc. Rates	19
Local Auth. Bonds	22
Invest. Trt. Table	5
ANNUAL STATEMENTS:	
AECL	2
S. & W. Barford	19
Stock Amer. Inv.	19
Utfd. States & Gen.	19
OFFERS FOR SALE	
Fidelity	1

For latest Share Index phone 01-346 8026

## Are you ready to benefit from the UK economic recovery?

Over the past two years most people in this country have suffered the effects of inflation, high interest rates, unemployment and high taxation. However, there are now encouraging early signs of economic recovery in the U.K. and it is important that, having suffered the recession, you should now share in the benefits.

Figures released in January this year show most impressive gains in productivity achieved by British Industry during 1981, running ahead of West Germany, U.S.A. and Japan. Already corporate profits (excluding oils) are expected to recover 21% in 1982 helped by cost savings, the shedding of labour, the considerable reduction in inflation and sensible wage settlements. These improvements have been achieved before any general upturn in demand, so that the benefits of a leaner and more efficient U.K. industry will be further exaggerated when the inevitable economic recovery arrives.

Whilst Fidelity continue to recommend up to 50% of your investment portfolio be overseas (depending on income requirements) you should ensure that you also benefit from the recovery in the U.K. Fidelity has three professionally managed, successful, tax advantageous U.K. unit trusts with portfolios now structured to take full advantage of this recovery.

Launched 17th December 1979	Capital Growth Since Launch	Yield
Fidelity Special Situations Trust	+65.6%	0.7%
Fidelity Growth + Income Trust	+46.8%	6.8%
FT All-Share Index	+36.5%	
Launched 10th November 1980	Capital Growth Since Launch	Yield
Fidelity Maximum Income Equity Trust	+35.6%	8.7%
FT All-Share Index	+7.4%	

(Figures to 24th February 1982)

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OVERSEAS NEWS

Bonn initiative on interest rates looks unlikely

BY JONATHAN CARR IN BONN

WEST GERMANY does not seem to have a new monetary scheme up its sleeve to lessen the impact on Europe of high U.S. interest rates, despite talk of initiatives at this week's Franco-West German summit meeting.

Chilean union leader killed

AN IMPORTANT opposition trade union leader, who had called publicly for a national labour organisation to oppose the economic policies of General Augusto Pinochet's military government, has been murdered, writes Mary Helen Spooner in Santiago.

Sr Tucapel Jimenez (60), a retired government employee and leader of the Public Administration Employees Union, was found nearly decapitated in his car on a deserted dirt road approximately 40 kilometres from Santiago on Thursday night.

Gen. Pinochet, who is currently touring Chile's southern provinces, has condemned the killing and appointed a top-level investigator to study the case.

French arms halt France has suspended delivery of 29 AMX-30 tanks to Chile, out of an original order of 50 medium-weight tanks, in line with an embargo imposed by President Francois Mitterrand's Socialist administration, the Defence Ministry said yesterday, Reuter reports from Paris.

UN force boosted The Security Council has approved a 1,000-man increase in the size of the UN Interim Force in Lebanon, Reuter reports from New York.

Habib in Beirut Mr Philip Habib, President Reagan's special envoy to the Middle East, arrived in Beirut yesterday for talks on stabilising the brittle truce in southern Lebanon, Ihsan Hijazi writes from Beirut.

Union 'tax frauds' Members of an Australian dockers' union, the Ship Painters and Dockers, fiddled taxes totalling hundreds of millions of dollars, carried out extensive social security frauds and were involved in crimes ranging from theft to murder, according to an official inquiry presented to Parliament, Reuter reports from Canberra.

Kampuchea talks hint Former rightwing Kampuchean Prime Minister Son Sann, so far absent from talks in Peking on the formation of a coalition to resist the Vietnamese occupation of Kampuchea, has said he will visit Peking and, if necessary, meet the Khmer Rouge leader, Kieu Samphan, Reuter reports from Peking.

Strike hits Cockerill Belgium's loss-making steel giant, Cockerill-Sambre, was paralysed yesterday by strikes, as workers maintained their campaign against delays in approval of the company's restructuring programme, Reuter reports from Brussels.

Trade deficit narrows Hong Kong's trade deficit narrowed to HK\$468m last month from HK\$1,320m in December and HK\$1,010m in January 1981, provisional figures show, Reuter reports from Hong Kong.

Lisbon censure bid Portugal's Socialist Party yesterday tabled a motion of censure against the ruling rightwing Democratic Alliance Government over its handling of the country's economic problems, Reuter reports from Lisbon.

Soviet nuclear 'lag' The Soviet Union is lagging behind in its ambitious nuclear energy programme and new atomic plants have been hit by shoddy engineering work, the Communist Party newspaper Pravda complained yesterday, Reuter reports from Moscow.

FIRST PARTY CONGRESS SINCE MILITARY CLAMPDOWN ENDS IN WARSAW

Polish hardliners forced on to defensive

BY CHRISTOPHER BOBINSKI IN WARSAW

THE FIRST Polish Communist Party congress since the introduction of martial law ended in Warsaw yesterday with the party hardliners pushed on to the defensive.

However, the strong groundswell of conservative opinion in the 200-member body is a factor which General Wojciech Jaruzelski, the party leader, and his reformist-minded supporters still have to take into account.

The relatively minor changes in the Central Committee and the Politburo approved by the meeting show that the general position is still not strong enough to make sweeping changes and remove conservative hardline figures like Mr Stefan Olszowski.

Yet the appointment of General Czeslaw Kiszczak, the Interior Minister, as an alternate member of the Politburo, bringing the number of generals in the ruling body to four, was not a victory for the hardliners as interpreted in some quarters.

General Kiszczak, who came to the Interior Ministry from army counter-intelligence, is a supporter of General Jaruzelski. The move seeks to balance the influence of Mr Mieczyslaw Milewski, the Politburo member responsible for internal security, who has a police background and is identified with the hardline faction.

The Interior Minister's promotion, however, was partially offset by the sacking of two Central Committee members belonging to the "liberal" wing of the party and the resignation of another "liberal", which was seen as a concession to hardline opinion.

One of the most crucial factors influencing the meeting was the continued support given by the Soviet leadership to General Jaruzelski, whom they have invited to Moscow next week.

The meeting also showed that, whatever the Central Committee may say, as long as martial law continues, it is the army which has the final say. During the plenary debate, which apparently was more acrimonious than the published record would suggest, General Jaruzelski's supporters called for an end to strife within the party.

Hardliners were urged more purges and implied that policy before martial law and even now was "opportunistic". The conservatives' favourite charge is that the clampdown came too late. They hold men like Deputy Premier Mieczyslaw Rakowski, who had argued for agreement with Solidarity, responsible. Mr Rakowski spoke at length at the plenum and defended his record and also urged political solutions as a way out of martial law.

Reuter adds from Warsaw: Poland's Communist party yesterday gave its backing to the military rule imposed on the country, praising the army and police for what it called the restoration of order.

The party's Central Committee issued the following resolution: "These (martial law) decisions were taken in the name of the most vital interests of the working class and nation in the face of a threat to the existence of an independent, Socialist Polish state after all other means of preventing national disaster had been exhausted."

Meanwhile, the Sejm (Parliament) opened a two-day session to approve laws for salvaging Poland's wrecked economy and deputies were told that industrial production was still falling.

The deputies will also be called upon to approve new cabinet changes, according to the official agenda.

The Sejm session began with the resignation of a liberal member in protest against martial law. Earlier two liberals had been purged from the Central Committee.

Leaders of the Roman Catholic Church in Poland were also meeting in Warsaw yesterday and one bishop described their session as stormy and tense. They were working to elect their first since the country's Prime, Archbishop Jozef Glemp, held talks in Rome with the Pope.

Jordan will take delivery soon of Soviet anti-aircraft system

BY RICHARD JOHNS IN AMMAN

SOPHISTICATED mobile Soviet anti-aircraft weapons are expected to be delivered to Jordan in the next three months or so and should make a significant difference to the country's ability to defend itself against possible attack by Syria or Israel.

Under a \$200m agreement reached between King Hussein and the Soviet Union last summer, Jordan is to receive SA-8 low-level missiles together with binoculars, the fast-loading missile and saturation anti-aircraft fire provided by the system is regarded as effective as any available to members of the North Atlantic Treaty Organisation.

Ironically, the Soviet Union has yet to supply the SA-8 to Syria to which it is heavily committed through a treaty of friendship and co-operation.

Nevertheless, King Hussein told Mr Caspar Weinberger, the U.S. Secretary of Defence, two weeks ago that Jordan would still like mobile Hawk missiles to supplement the Soviet equip-

ment. But no formal request has been made nor is one likely before the next U.S. Congressional elections.

Independent observers currently believe that Jordan fears an attack from Syria as much as one from Israel despite the statement earlier this week by

Mr Abdul-Hadi Majali, the Jordanian ambassador to Washington, that his Government considers the main threat to come from Israel.

The Soviet weapons should give adequate cover for the Jordanian army's four divisions. The cut-price deal is something of a breakthrough by Moscow in its efforts to cultivate the traditionally pro-Western monarchy.

Jordanians are understood to be undergoing training in the Soviet Union. Hawk missiles sold to Amman by the U.S. under a Saudi-financed deal about five years ago cost more than twice as much and are installed in fixed positions that give only limited, first-strike cover to attacks on Jordanian airfields.

The Hawks were installed in this way as a result of the demand from the pro-Israel lobby in Washington. The lobby is already moving to counter any Jordanian request for F-16 or F-5G aircraft which Jordan would also like to acquire.

King Hussein... wants U.S. missiles, too.

Mr John Vorster, the former Prime Minister and state president, who has no love for Mr Botha, entered the debate yesterday on the side of the right-wingers, and was in turn bitterly attacked by a number of his former cabinet colleagues.

Japan's non-seasonally adjusted exports rose by 10.1 per cent in January to \$10,350m, while imports were up by 3.1 per cent over year-ago levels to \$11,050m. The rate of increase in exports was the highest for three months, although this appears to have been partly due to a "bunching" of orders for lumpy items such as ships.

January ship exports were worth just over \$1bn or nearly double their value in November and December 1981. Compared with the same month of 1981, ship exports showed a rise of 260 per cent.

Partly owing to heavy ship exports but also as a result of booming sales of video tape recorders, Japan increased its exports to the EEC by 10.1 per cent in January while importing nearly 12 per cent less from the Community than a year ago.

A roughly similar pattern emerged in bilateral trade with the U.S., with exports up 18 per cent over year ago levels and imports virtually unchanged.

Japan's overall balance of payments (including long-term capital flows) was in deficit in January by \$2,670m. As with the current account balance, however, seasonal factors appear to have weighed heavily. The seasonally adjusted overall balance was in surplus by \$270m, compared with a \$1,450m deficit in December.

Tension over Pretoria talks

BY J. D. F. JONES IN JOHANNESBURG

WHITE politicians in South Africa's ruling National Party were lobbying furiously yesterday in preparation for today's vital meeting in Pretoria of the "bead committee" of the Transvaal section of the National Party from the National Federation, and probably going on to create a substantially ultra-conservative party in parliament in opposition to Mr Botha.

On the other hand, defeat for Dr Treurnicht would probably come too late to allow a reconciliation, and the right-wing rebels would probably either be expelled or would take themselves off presumably to join the existing other extreme-right parties.

The executive committee of the Transvaal Party met in Cape Town yesterday to agree on today's procedure. The Prime Minister yesterday completed a visit to Windhoek. There is speculation that he will feel obliged to dismiss Dr Treurnicht, who is Minister for State Administration, from the Cabinet.

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Brazil blows cool on Reagan's plan for the Caribbean

BY ANDREW WHITLEY IN BRASILIA

BRASIL has reacted critically to President Ronald Reagan's economic plan for the Caribbean basin, outlined on Wednesday as part of a broad programme to counter Left-wing advances in the region and prop up friendly governments.

While welcoming any scheme designed to reduce the economic deprivation it believes to be at the heart of the region's problems, the Brazilian Government is most concerned that the gains made by the Central American and Caribbean countries, in terms of greater access to the U.S. market, will be at its expense.

More than a third of Brazil's important sugar exports go to the U.S., worth over \$260m at present prices, and the fear is that duty-free access by its main competitors could be very damaging.

Possibly more important for the future is that the proposed incentives to invest in the favoured countries could lead to major U.S. companies establishing themselves in, say, Honduras, and exporting back to the U.S. manufactured goods competing with similar Brazilian products.

The Foreign Ministry yesterday played down the initially favourable reaction attributed to Sr Sariva Guzman, the Foreign Minister, saying that his published comments had been made before the final details of President Reagan's

speech were known. Sr Guzman was reported by the Globo news agency to have said that, in so far as the Reagan plan lessened the prospect of any direct interference or U.S. military action in the region, it was a positive development. At the same time, he reportedly warned that countries outside the Caribbean would suffer if "exaggerated facilities" were made available to the latter.

As the main outlines of the Caribbean economic plan have been known for some time to the Brazilian authorities, diplomatic level discussions have already taken place over its likely impact. The Foreign Ministry is now studying the text of the proposals to determine exactly how much damage will be caused. But, in view of the spokesman's statement that Brazil has always opposed "vertical concessions" to countries rather than products, further strong diplomatic representations can be expected in the coming weeks.

In dealing with the imbroglgio in Central America, Brazil is particularly anxious not to appear to be using its undoubted weight in an area where, among the Latin American countries, Venezuelan and Mexican foreign policy has traditionally held sway. Hence, Brasilia's extremely low profile on El Salvador. Unlike its neighbour, Argentina, Brazil is not sending observers to the forthcoming general election there, and would almost certainly refuse to send troops to participate in any such Latin American peace-keeping effort.

The possibility of revising the 1960s plan for an "Inter-American Peace Force" is almost certain to feature in the talks which two top U.S. military men will be having with the Brazilian generals over the next few weeks.

General David Jones, the chairman of the U.S. Joint Chiefs of Staff, and General John McHenry, chairman of the Washington-based Inter-American Defence Board, are to visit Brazil on separate missions.

Japanese exports rise by 10%

By Charles Smith, Far East Editor, in Tokyo

JAPAN'S external current account balance was in deficit by \$1,860m (2947m) in January, the Finance Ministry announced yesterday. However, the deficit was due entirely to seasonal factors and disguised a fairly strong underlying trend in the country's external payments.

On a seasonally-adjusted basis, the current account was in surplus by \$1,080m, the best figure since last October.

Japan's non-seasonally adjusted exports rose by 10.1 per cent in January to \$10,350m, while imports were up by 3.1 per cent over year-ago levels to \$11,050m. The rate of increase in exports was the highest for three months, although this appears to have been partly due to a "bunching" of orders for lumpy items such as ships.

January ship exports were worth just over \$1bn or nearly double their value in November and December 1981. Compared with the same month of 1981, ship exports showed a rise of 260 per cent.

Partly owing to heavy ship exports but also as a result of booming sales of video tape recorders, Japan increased its exports to the EEC by 10.1 per cent in January while importing nearly 12 per cent less from the Community than a year ago.

A roughly similar pattern emerged in bilateral trade with the U.S., with exports up 18 per cent over year ago levels and imports virtually unchanged.

Japan's overall balance of payments (including long-term capital flows) was in deficit in January by \$2,670m. As with the current account balance, however, seasonal factors appear to have weighed heavily. The seasonally adjusted overall balance was in surplus by \$270m, compared with a \$1,450m deficit in December.

Maclean Hunter to buy Canada dailies

MACLEAN HUNTER, the largest Canadian magazine publisher, has at last found a daily newspaper to buy. It plans to pay C\$45m (£24m) in two stages for control of the Sun Publishing Corporation which publishes the Toronto Sun tabloid and two similar tabloids in Calgary and Edmonton.

The combined daily circulation of the three papers is well over 500,000 and the Toronto Sun is a sound profit maker. Sun Publishing Corporation will remain intact. The Sun also owns the Canadian division of United Press International, which competes with the Canadian Press news agency.

Maclean Hunter, publisher of several national magazines, including the prestigious Financial Post, and has moved successfully into cablevision in both Canada and the United States.

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AECI LIMITED (Incorporated in the Republic of South Africa) PRELIMINARY PROFIT ANNOUNCEMENT Turnover up 19% to R1,467 million Net income before taxation up 25% to R253 million Earnings per ordinary share up 26% to 102 cents Ordinary dividend up 22% to 55 cents

Table with 3 columns: Item, 1981, 1980. Rows include Turnover, Net income before taxation, Less: Taxation, Net income, Tax savings, Net income attributable to ordinary shareholders, Earnings per ordinary share.

Comments Group turnover for 1981 totalled R1,467 million, an increase of R207 million (15.7 per cent) over 1980. Group net income before taxation for the year at R252.7 million increased by 25.1 per cent over the corresponding figure for 1980.

On behalf of the Board M. F. Oppenheimer, D. N. Marvin, Directors

Transfer Secretaries: Consolidated Share Registrars Limited, 16th Floor, 62 Marshall Street, Johannesburg and

Charter Consolidated P.L.C., Charter House, Park Street, Ashford, Kent TN24 8EQ, England 26 February 1982

UK NEWS

Block on Bill to alter rights of succession

A BILL designed to enable the first-born child of the Prince and Princess of Wales to succeed to the throne is being blocked by the withholding of the Queen's consent.

As it became clear that no minister intended to signify the Queen's consent, Mr English questioned whether such a procedure was necessary.

Redcar coke ovens may be rebuilt

THE BRITISH STEEL Corporation is considering the option of rebuilding the troublesome coke ovens at its Redcar complex in Cleveland.

Local union officials have been assured that there is no foreseeable risk to iron and steel production on Teesside as a result.

Court told of £1.05m tax law 'crossword'

A PRIZE OF £1.05m awaited the winner of a tax law "crossword puzzle" competition between Exxon Corporation, the world's largest oil company, and the Inland Revenue.

Heavy lorry plans may be changed

BY LYNTON McJAIN, TRANSPORT CORRESPONDENT

THE GOVERNMENT is set to climb down over its plans to raise the legal limit on lorry weights by almost a quarter to 40 tonnes.

Table with 3 columns: Capacity, Efficiency of use, Gross weight. Rows for 1973-1979 and Over 28.

Government was satisfied that the maximum gross weight limit could "safely be raised to 34 tonnes for four-axle vehicles and to 40 tonnes for five axles."

Midland works will close in BSR plan to shed 1,400 jobs

BY LORNE EARLING

BSR, the Midland-based and Anglo company, is closing one of its three factories and reducing its workforce by more than 1,400, mainly through voluntary redundancies.

Japan have dropped by 75 per cent in the same period. Japanese companies are now making their own record changes or buying them in the Far East.

More airlines raise fares to U.S.

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

AIRLINES of several more European countries have agreed to the International Air Transport Association proposal to raise fares to the U.S. by 5-15 per cent this spring.

announced by the IATA yesterday in Geneva, means about 85 per cent of scheduled air traffic between the U.S. and Europe is covered by the fares pact.

Engineering export orders fall back

By Hazel Duffy, Industrial Correspondent

THE SUDDEN surge in Britain's engineering export orders appears to have been short-lived, according to official figures published yesterday.

Owen attacks Thatcher 'fetish' over Trident

BY MARGARET VAN HATTEM

THE ROYAL NAVY is being sacrificed because of the Prime Minister's 'fetish' over Trident, the parliamentary leader of the Social Democratic Party, said yesterday.

counts she has failed. She is the most insensitive and incompetent Prime Minister this century.

Scarman replies to police critic

BY LISA WOOD

LORD SCARMAN yesterday spoke out against criticism, made by a senior police officer, that his report on last year's riots was making it harder for the police to control increasing street crime.

Scarman says that a police operation of that sort will at times be essential in order to contain a crime rate, but that if the police operation is likely to cause a disturbance leading to a riot the police should withdraw.

Domestic rating system 'should be retained'

BY ROBIN PAULEY

THE DOMESTIC RATING system should be retained and improved, according to the U.K. authorities in England and Wales, who are strongly critical of the Government's approach to the subject.

with short-term political popularity rather than with the proper tax requirements needed to sustain a healthy local democracy.

Integration 'will not solve N. Ireland's problems'

BY OUR BELFAST CORRESPONDENT

FULL integration with Great Britain would not provide answers to Northern Ireland's economic problems, Mr James Prior, the Northern Ireland Secretary, said yesterday.

Invincible's captain 'shocked' by sale

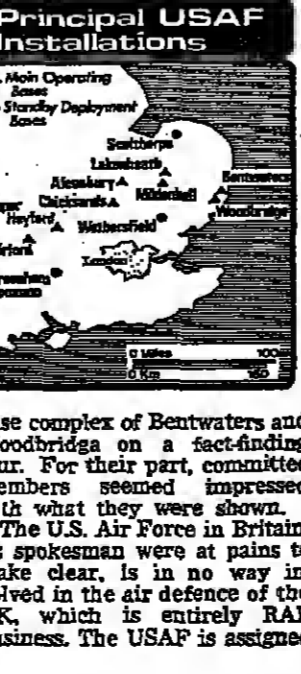
CAPTAIN Jeremy Black, commanding officer of HMS Invincible, the aircraft carrier whose sale to Australia for £175m has brought protests from Conservative MPs, said he was shocked and disappointed at the news, but dismissed as "ill-informed" claims from the Australian Opposition that the country was buying a "pig in a poke."

Heard but not seen: the softly, softly mission of 50,000 Yanks

A HUGE structure seemed to hover above the flat fen, gleaming white in the East Anglian mist like some Moby Dick. Closer inspection revealed the monster beyond the perimeter fence of RAF Mildenhall as a KC 135 of the U.S. Air Force.

This week MPs saw how the U.S. keeps a low profile in Britain despite 400 aircraft and seven main bases. Bridget Bloom was with the Defence Committee

to Nato and in wartime would come under the command of Allied Forces Central Europe, from Ramstein in Germany. As it is, more than 50 per cent of training takes place in Germany.



Force's adventure training plan for youths

PLANS to provide young people with adventure training with the armed forces are expected to be announced by Mr John Nott, Defence Secretary, next week.

Pottery maker in receivership

PEARSON & CO, the 172-year-old Chesterfield pottery maker has gone into voluntary receivership.

Hotels 'too dear for families'

BRITISH hotels were losing business to the self-catering industry and to hotels overseas because they were too expensive for families, imposing a charge for each person rather than for each room, said Mr Montague, English Tourist Board chairman.

Cheaper loans for farmers

THE Agricultural Mortgage Corporation is reducing its charges on new loans to farmers, following the recent cut in bank base rates.

Differential interest rates up at Alliance

THE ALLIANCE Building Society is increasing the differential interest rate on its current issue of extra interest shares by 1 to 1 1/2 percentage points, giving a current net interest rate of 11 1/2 per cent.

Waterways repairs to follow grant rise

THE BRITISH Waterways Board said the Government's decision to increase its grant by £7m to £37.9m for the fiscal year 1982-83 would enable it to make progress on big problems in waterway structures, now 150-200 years old.

Call to incorporate human rights charter

BRITISH LAW should incorporate the provisions of the European Convention on Human Rights, Mr Geoffrey Rippon, Conservative MP, said. Powerful arguments had been made by Lord Scarman and others for a Bill of Rights, but the difficulties of drafting such a constitutional settlement were "formidable."

De Lorean decision 'in 10 days'

SIR KENNETH CORK, the De Lorean receiver, said he would know "in about 10 days" whether his talks in the U.S. with potential investors had been successful.

LABOUR NEWS

THE WEEK IN THE MARKETS=1

Resumed talks on Times job cuts raise hopes

BY IVO DAWNAY, LABOUR STAFF
TALKS between Times Newspapers and union officials representing 670 clerical workers resumed yesterday...

Hoover asks workers to accept pay freeze

BY JOHN LLOYD, LABOUR EDITOR
HOOVER, the U.S.-owned domestic appliance subsidiary, has asked its 6,854 workers in the UK to accept a pay freeze...

Ford and Talbot hit by trouble in paint shops

BY OUR LABOUR EDITOR
TROUBLE in paint shops at two car manufacturers has disrupted production, caused mounting losses and forced the lay-off of thousands of production workers...

Heathrow vote on 'blacklegs'

ABOUT 150 employees of the British Airports Authority and foreign airlines at Heathrow Airport voted yesterday not to work with 'blackleg' labour...

Move to avert Holyhead strike

BY ROBIN REEVES, WELSH CORRESPONDENT
LAST DITCH negotiations aimed at defusing a threatened port strike at Holyhead were going on in Dublin last night...

ICI pushes ahead... due to cost cuts

It was a pretty good week for ICI, perhaps a better one for cynics. Enthusiastic staging of the Government's latest equity offering...

Revenue staff will vote on technology

By Our Labour Editor
INLAND REVENUE staff will vote on whether to accept an agreement on the introduction of new technology...

Rail guards end rostering action

AN UNOFFICIAL strike by about 200 Eastern Region rail guards which disrupted services to and from London's Liverpool Street Station ended yesterday...

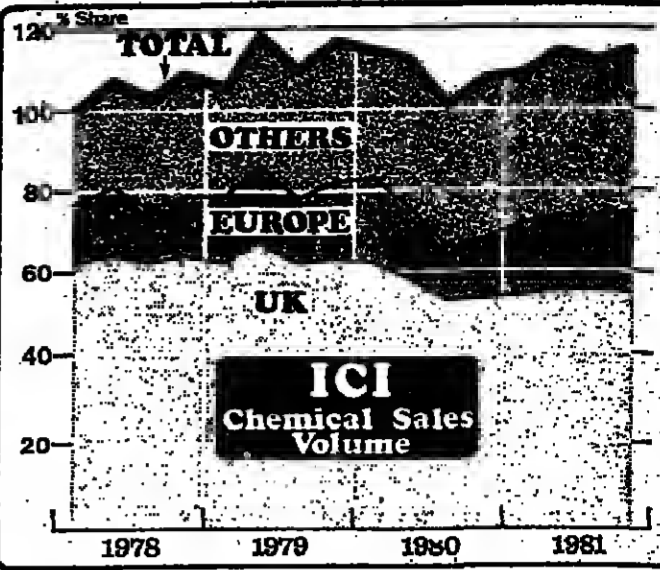
No offer from NHS

THE National Health Service yesterday made no pay offer to 270,000 ancillary workers, after failing to make an offer to nurses and administrative staff on Tuesday...

LONDON

ONLOOKER

By contrast, there seems to be a strong possibility that the U.S. Commercial Union has been heavily committed to rebuilding its U.S. business for a long time...



Carrington's UK problems have left it unable to fund Gelvevor's capital requirements and the sale of half the company for a modest \$3m last year...

The \$5m received for Gelvevor is equivalent to last year's reduction in net debt so, after paying reorganisation costs of \$10.7m, Carrington is more or less marking time...

Forecasting the current year at this stage is a desperate game. The smallest switch in operating ratios can swamp any such numbers when the basic number—premium income—is in the order of \$1.5bn.

Rowntree's resolve
Rowntree Mackintosh normally publishes its annual results sometime in April. This year, however, the Kit-Kat and After Eight mints group has been working its accountants round the clock to get the 1981 figures into the formal bid document supporting the \$75m offer for Huntley and Palmer.

ICI

ICI is pushing its profits ahead again after their collapse in 1980, but this is due mainly to the successful cost-cutting exercise in the UK and a weaker level of sterling...

CU's knife-edge
Commercial Union finished the year in rather better shape than most people had expected. Pre-tax profits slipped for the fourth year in a row, emerging

MARKET HIGHLIGHTS OF THE WEEK

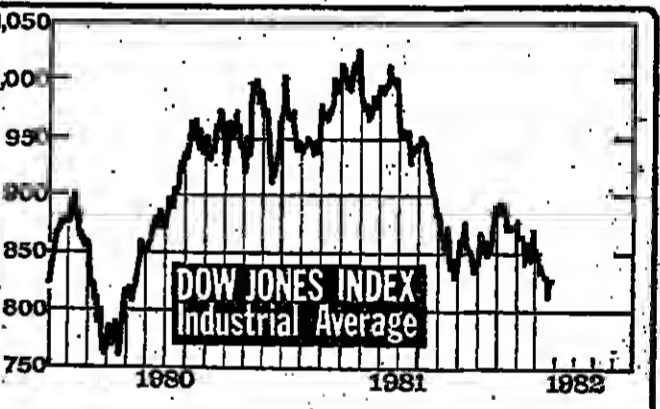
Table with columns: Index, Price, Change on week, 1981-High, 1981-Low, Short run out. Includes FT. Govt. Sect. Index, FT. Ind. Ord. Index, Amersham, Berkeley Exploration, CCP North Sea, Commercial Union, Daejan, Gill and Duffus, Guinness Peat, ICI, Mathews (B.), Meyer (Montague L.), Renison, RTZ, Shell Transport, Sketchy, Thorn EMI, Ultramar, Zetters.

They're down, but not out, Down-Under

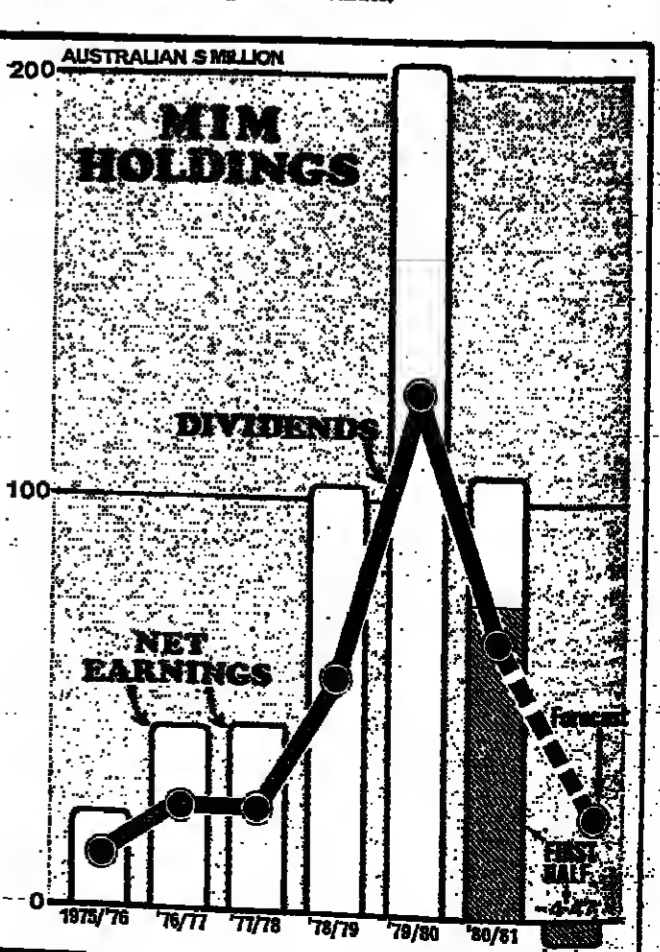
WE COULDN'T have expected this week's news from the Australian base metal mining companies to have told much other than a depressing tale of low metal prices, rising costs, labour unrest and the high level of the Australian dollar...

MINING

KENNETH MARSTON
per cent against the U.S. dollar, and every little helps these hard times for metal exporters...



Trade Minister, saying in Canberra: 'To the best of my understanding there is nobody around the world who can handle the quantity of diamonds involved in the immediate future, other than the Central Selling Organisation.'



WEEK IN THE MARKETS-2 FINANCE AND THE FAMILY

NEW YORK

IF INVESTORS have learned one lesson this year, it is "Get out of the market on Monday." Several weeks in a row, prices have been battered by what has come to be known as the "Blue Monday" syndrome...

A shift in focus?

irony is that, if and when the recovery comes, it may only trigger another interest rate spiral and choke itself off automatically. But, though the market came bouncing back on Wednesday, the striking point is its failure to match the rally in the bond market...

around 820-825, which analysts say is a crucial support level. Despite Monday's fall, that level still seems to be holding, but it makes investors edgy. But investors are plainly giving a lot of thought to stocks—both good and bad...

Alimony and wife's earnings

BY OUR LEGAL STAFF

I divorced my former wife six years ago. She is claiming increased alimony, basing her claim partly on my present wife's earnings. I understand, however, that a High Court judge ruled in July 1981 that a wife's or mistress's income could not be taken into account in assessing a former wife's financial claim...

English Law, but not under American law. He is considered a resident of the UK and they were married March 31 1974. Both live in the UK at the present (they have lived here 11 years). As the marriage took place after the Domicile and Matrimonial Proceedings Act 1973 entered into force (New Year's Day 1974), the wife undoubtedly retains her domicile of origin, in England and Wales presumably...

Wife's earning election For tax year 1980-81 I was originally under "Wife's Earnings Election." This I withdrew from. However I now find it would have been to my advantage to have so remained. Is it possible for me to ask for Form 14 and re-elect? Yes, there is nothing in section 23 of the Finance Act 1971 (as amended) to invalidate a second election in respect of 1980-81, before the end of 1981-82.

Contesting a will In "Finance and the Family" in January 1982 under "Contesting a will" you referred to the Inheritance (Provision for Family and Dependents) Act 1975. Would this apply to a wife in the following circumstances? With reference to your reply under "VAT pending on ACT" (October 24) has the ACT case been settled yet? I am converting from oil central heating to gas and want to know if the new gas boiler is subject to VAT? The ACT case has been decided by the House of Lords. They decided that in order for an alteration to be due for zero rating it has to be a structural alteration. They did not define what was repair or maintenance expenditure. The Customs view in relation to the question you raise is set out in Notice No. 715 which states that replacement of a boiler with another type of similar heating capacity is liable to VAT. They will give zero rating if the heating capacity is greater and additional radiators are being installed. It might be argued that even if the heating capacity is similar there has still been a structural alteration so that zero rating is due. We do not know what chance such an argument would have if it went before a VAT tribunal on appeal.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

The Association of Investment Trust Companies THE INVESTMENT TRUST TABLE

Table with columns for Total Assets less current liabilities, Company, Share Price, Yield, Net Asset Value, Geographical Spread (UK, Nth. Amer., Japan, Other), Gearing Factor, and Total Return over 5 years. Includes sections for NOTES TO THE TABLE, INDICES OF FIVE YEAR TOTAL RETURN, and NEW INFORMATION THIS MONTH.

Further information on Investment Trusts. Copies of the explanatory booklet 'Investment Trusts today' are available free from the Association. To: The Secretary, The Association of Investment Trust Companies, FREEPOST, London EC2B 2JJ. (No stamp required if posted in the UK) Tel: 01-588 5347.

# YOUR SAVINGS AND INVESTMENTS—1

### When the National Freight Corporation was sold to its employees there was a rush to buy the shares. Ian Rodger reports

## Getting a piece of the business

THOUSANDS OF people will be receiving share certificates this morning for the first time in their lives.

And to judge from interviews with a handful of the employees and pensioners of National Freight Corporation, who together oversubscribed the £6.2m offer to take-over most of the ownership of the company from the Government, they have very high hopes.

"I've heard people talk of the shares being worth five or six times what we paid for them in five years," said Dennis Gardner, a customs clerk at Cottrill Pickfords, a freight forwarding division of N.F.C. Gardner, who has been with Cottrill for 14 years and has never owned shares, applied for 2,000 of the £1 shares.

Stanley Clifford, a foreman with 33 years experience at National Carriers, is counting on his 200 shares being worth £2,000 some day. "But if anyone is going to get the benefit from them, it will be my four grandchildren," he added with a laugh.

The offer was a fairly complicated one. Involving one class of shares for the group's 44,000 employees and pensioners and another for the banks that provided a £51m loan to help meet the Government's selling price.

N.F.C. directors hoped that at least 60 per cent of the group's 26,000 non-management staff would apply and give a series

of personal and video presentations explaining the business and their prospects. Moreover, an interest-free loan scheme was provided, enabling employees to pay for up to 200 shares through payroll deductions.

In the end, a total of 10,233 applications were received and Lloyds Bank, the registrar started sending out share certificates yesterday.

One feature that impressed some of the employees was the asset backing shown in the prospectus at £5.16 per share. Many also thought that the alternative to the buyout might have been the arrival of a predator interested more in the assets than the continuing business.

"It would have been a shame to see someone come in and strip the assets," Malcolm Beck, an account manager at Freight Computer Services, said. "If there is anything to be gained out of them, let it be for N.F.C." Beck is buying 300 shares through the loan scheme.

Bob Holder, a lorry driver at National Carriers for 43 years, agreed: "My job would be in jeopardy if we were broken up."

Holder, who is buying 600 shares, is also a member of the National Union of Railwaymen. The Labour Party and trade unions oppose demerger, favouring like that of the N.F.C. and Labour has pledged to renationalise state owned assets, possibly without compensation, if and when it is returned to power.

Holder believes in public utilities being owned by the Government, but argues that N.F.C. is in competition with the private sector and should remain there.

"I'm always going to vote the way I have always voted and that means nationalisation. But overtures have been made via our union to consider the special circumstances here, and the feedback we are getting is that it is very doubtful that we would be renationalised."

Ray Coombs, an accountant at Cottrill Pickford who has applied for 2,000 shares, said his only worry was the "without compensation" question. "Nobody would like to have their savings snatched away. It sounds illegal to me."

In his letter to employees in the prospectus, Mr Peter Thompson, deputy chairman and chief executive, said N.F.C. was creating "a new kind of industrial enterprise" that would help get rid of the conflicts between management and workers traditional to British industry—the "us and them" attitude.

The management's efforts already in this area got a ringing tribute from Bob Holder. "We have never had a strike and we have a better relationship with this management every year."

Ray Coombs wondered if the management would be able to depress salaries now that profit performance will be important



All smiles at the Kings Cross depot... Andy Carty and Stanley Clifford

to so many employees.

"They told us that they thought the unions would still be objective in their negotiations."

The directors have also made clear they plan to make some investment in expanding overseas, a practice not always popular among British workers.

"It is sound business sense to invest outside the UK," Malcolm Beck said. "Pension funds do it so why shouldn't businesses? Besides, it might make it possible for me to get some travel abroad."

Although N.F.C.'s profit record has not been brilliant in the past few years, confidence in the future runs high among these employees.

Lorenzo Rodia, a young data centre manager at Freight Computer Services, has applied for 5,200 shares. "The current climate is bad, and we are still making a profit, so we should do better when things improve," he said.

Mr Coombs noted that the directors have bought shares at least equal in value to their salaries. "I'm convinced there

will be a lot of pressure to raise profits and dividends."

There is surprisingly little concern about share transfers being restricted to employees and pensioners for at least five years.

"I would like the investment to be more liquid but so be it," Ray Coombs said. "That was a condition, and I didn't buy so much for financial reasons as because I work here and wanted to be part of it."

Andy Carty, a senior warehouseman at National Carriers, shrugged his shoulders. "It's a gamble, isn't it?"

were probably already set to make their move.

The effect is to make it easier for borrowers, but less rewarding for savers with money on deposit at variable rates.

Most rates, being market-determined, have moved into line with one another. The banks' seven day deposit rate dropped to 11 per cent as a consequence of the base-rate reduction, while the National Savings Bank followed suit on Thursday, cutting the rate on its Investment Account to 13 1/2 per cent.

Building society rates now tower above the market, at 13.82 per cent, the grossed-up ordinary share rate is now worth more to standard-rate taxpayers than for example a five year option deposit with Lloyds. Five year term deposits with building societies pay 11.75 per cent—equivalent to 16.8 per cent gross.

But the societies' mortgage rates are unattractive to their borrowers. Since the Nat West has already given a lead in shading its mortgage rate with the other banks likely to follow, the building societies will be under great pressure to toe the line. But nothing will be done to their rates on mortgages or deposits until they meet to consider the question on March 12, three days after the budget.

Jeremy Stone

## SHOULD I BUY SHARES NOW?

The answer is an emphatic YES! There are always some shares to buy, some companies that are genuinely undervalued and really growing. But—equally emphatically—most companies are positively not a "buy"; they don't have a good record, they're not especially well financed and their future prospects are not going to bring them (or you) growth in real terms.

As the stockmarket remains near new highs, don't get sucked into buying poor companies at inflated prices. At the Fleet Street Letter we can't, regretably, promise you a 100% record, for we have our failures as well as our successes. We have been going for over 40 years, though, and that must surely say something about our results on behalf of our subscribers.

What's more, we don't just recommend companies by giving them a one-line mention in the newsletter. You will get a detailed analysis in plain, readable English, so you'll know all about your company before you invest, and thereafter we will follow it closely on your behalf. Our view is that if you don't know much about the company and you don't follow its future closely, then you should not have invested in it in the first place.

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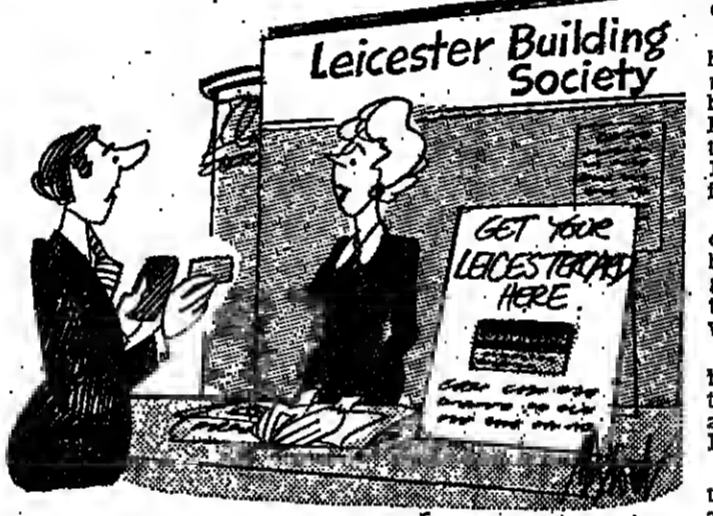
Private Investor's Letter, Dept. IPC, 13 Golden Sq., London W1

## Branching out at Leicester

FOR SOME TIME now the Big Four clearing banks have hinted to High Street customers that they can do just about anything. The old-fashioned building societies can do it, and in the past year the banks have made impressive strides in the field of housing finance. They have thrown down a gauntlet which must be of concern to all building societies.

This week one of the smaller building societies—the Leicester—decided to respond to the bank's incursions with its own American-style package of banking and financial services.

With barely any fanfare the Leicester unveiled a large range of services including a cheque book account to be run through Citibank Savings, the UK subsidiary of Citicorp, the U.S. banking giant.



Leicester accounts. There will be no charges as the Leicester is paying the National Girobank for this service.

To drive home its new Leicestercard programme there will be a three month £1m national advertising campaign from May.

Among the services available to the Leicestercard holder will be a cheque book account linked with Citibank's Tandem Account. This account to be administered by Citibank, require a minimum monthly deposit of £10 and will offer interest when the account is in credit, cheque guarantee cards and monthly statements.

The interest is currently being estimated at around 9 per cent when the account is in credit, but the overdraw rate may be very high by normal current account standards. The rate being proposed amounts to 2.15 per cent or 29 per cent annual percentage rate.

Nonetheless, the fact remains that with the cheque book account the Leicester will have made a bold step towards "one-stop banking."

Leicester's link with Citibank will also mean personal loans of £500 to £5,000 at a rate which

is claimed to be "advantageous"—13 per cent flat (27.1 per cent annual percentage rate). The idea here is for Leicester to appeal to younger borrowers wishing to finance furniture, cars and appliances.

In addition to these, Citibank services the Leicester will also offer joint Citicorp-Leicester sterling travellers' cheques without charging a commission. Leicestercard holders will also be eligible to apply for Diners' Club International, the Citicorp-air-market charge card.

As a further step forward full-service banking, the Leicester is offering standing orders from its share accounts to third parties. This could allow customers to have salaries paid into interest-earning Leicester accounts and a portion transferred to a Citibank cheque book account.

Finally, the Leicestercard package offers a wide assortment of special discounts including cheaper travel and medical insurance, shop-by-phone services, reduced cinema crossings, and stays at Embassy Hotels, up to 15 per cent off the manufacturer's recommended price of new cars, savings on RAC services

and Godfrey Davis Europcar, car hire and more.

The Leicestercard package bulges with such exotic gimmicks such as cheaper kitchens, bathrooms and garages through Marley, discounted wall insulation from Rentokil and even 10 per cent off Interflora flowers.

Scott Durward, Leicester's chief general manager, says however that these are "not gimmicks." They are what the general public expects and wants today, says Mr Durward.

As for Citibank, it hopes to bring in £10m of business between its cheque book account and personal loans through the Leicester.

What the package means for the High Street consumer is almost certainly that other building societies will have to play catch-up and offer more competitive services. Abbey National's Clive Thoroton, chief general manager, says an agreement for clearing Abbey cheques with a clearing bank is being agreed.

Halifax, the biggest building society, already has a cheque book service, but it is little-used and separate from the building society operation.

The Leicester's move, in spite of the fact that it comes from a relatively small building society, may even put the big banks on notice that they must continue to compete with new services. If more building societies offered these services the distinction between clearing bank and building society could blur. Some banking services cannot, however, under the law be offered by building societies themselves. This is why Leicester needed to team up with Citibank.

At Barclays Bank which is moving full-steam into traditional building society areas such as mortgages, there was little visible concern at the Leicester's moves. The Barclays view? "It is probably as ineffective as it is imaginative."

Alan Friedman

## Pressure on the home front...

WEDNESDAY'S ACTION by the clearing banks—who cut their base lending rates by half a percentage point to 13 1/2 per cent—came as something of a surprise to the City. And it tightened the screws on building societies, making it more than likely that they will have to reduce their mortgage rates when they meet next month.

It was the banks' timing that surprised the City rather than the size or direction of the change. For some time conditions had been growing more favourable to a cut. The gilded market had moved ahead strongly in the previous week—lifting the FT Government Securities Index by almost 2 per cent, and at the weekend came news that the U.S. money supply figures had dropped sharply, causing a rally in the New York bond market.

Monday morning's devaluation of the Danish krone and of the Belgian and Luxembourg francs gave more freedom to European monetary authorities, who responded by relaxing official money market rates. In London, the Bank of England was likewise felt to be exploiting the softness in short-term U.S. rates in order to ease sterling rates down to more comfortable levels.

When a number of large U.S. banks cut their prime rates by half a point to 16 1/2 per cent on Tuesday, the London clearers

BANKS	Return (%) after tax at			
	NII	30%	45%	60%
7-Day deposit	11.0	7.7	6.05	4.4
NatWest Investment Account—3 months	12.5	9.45	7.43	5.4
—6 months	14.0	9.8	7.7	5.4
Lloyds Option Deposits—2 years	12.5	8.75	6.88	5.0
—3 years	13.5	9.45	7.43	5.4
BUILDING SOCIETIES				
Ordinary share rate	9.75	9.75	7.46	5.57
1 month notice	10.75	10.75	8.45	6.14
5-year term	11.75	11.75	9.23	6.71
NATIONAL SAVINGS				
Investment Account	13.5	9.45	7.43	5.4
MONEY FUNDS				
Simon Call	14.09	9.87	7.75	5.4
Tyndall Demand	14.0	9.8	7.7	5.4
FIXED RATES				
Barclays Investment Accounts—1 month	13.0	9.1	7.15	5.2
—3 and 6 months	12.75	8.93	7.01	5.1
NATIONAL SAVINGS 5-year certificate				
(22 1/2% on new issue)	10.5	10.5	10.5	10.5
GLTS (net redemption yields)				
Treas. 3% 1987	12.24	11.03	10.43	9.83
Execut. 14% 1986	14.99	10.49	8.25	6.03

## A spin-off from Touche Remnant

TOUCHE REMNANT'S decision this week to take a 20 per cent stake in Henry Ansbacher, a small and hitherto unexciting merchant bank, represents a major step for one of the City's biggest investment management groups. It also says a lot about the changing face of the financial services field.

Touche Remnant is best known as the manager of £900m of investment trusts. Total funds under its control—thanks to a growing pension fund business—amount to £1.3bn.

The management company which is owned by the 11 trusts in its stable, has had up to now a somewhat low key, middle-of-the-road image which has been reflected in the lowly stock market rating of a number of these trusts. Important announcements about the investment plans of these companies are expected in the next couple of weeks but other far-reaching changes inside the group have also been taking place.

Touche's profile started changing in October 1980 when the 11 trusts subscribed £20m for a new investment company, TR Energy, which invests in the oil and gas exploration in the U.S., Canada and Australia. This was the first new money raised by the group for a number of years.

Two months later Touche trusts acquired a near 20 per cent stake in R. P. Martin, the expanding City money brokers.

Then this week there was the Ansbacher deal, under which Touche's deputy chairman, Mr David LeRoy-Lewis, will join the enlarged bank's board. (In a series of moves Ansbacher also announced the £11.7m acquisition of Seascope, a Lloyd's insurance broker and shipbroker, and an £8.7m rights issue which enabled Touche to end up with a fifth of the equity.)

The man at the centre of much of this activity is Mr LeRoy-Lewis, who last October also became non-executive chairman of Martin after the successful merger with German brokers Bierbaum and Co. At 65 and recently retired as senior partner of stockbrokers Akroyd and Smithers, Mr LeRoy-Lewis suggests that he may have "a bit more to offer" after his years of experience in the City. He has been associated with Touche Remnant for much of his life.

"Our expertise at Touche Remnant is in portfolio investment management backed up by research and we wanted to be part of a larger financial services group to which we

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Deposits of £1,000-£50,000 accepted for fixed terms of 3-10 years. Interest paid gross, half-yearly. Rates for deposits received not later than 12.3.82 are fixed for the terms shown:

Terms (years)	3	4	5	6	7	8	10
Interest %	13.13	13.13	13.13	13.13	14	14	14

Deposits to and further information from the Treasury, Finance for Industry plc, 24 Waterloo Road, London SE1 6XP (01-499 7837 Ext. 597). Cheques payable to Bank of England, at FIF.

Finance for Industry Limited

**Today's Rates 13 1/4% - 14 1/4%**

## The year to buy British... or not

IN 1981 Unit Trusts investing in the Far East won all the plaudits, but by the end of the year some investment managers fancied that 1982 would be the year to buy British. Eight weeks into 1982, is that hunch being followed?

"It's my personal impression that less money is going overseas, and by elimination, more may be going domestic," says Mr Mark St Giles, Chairman of the Unit Trust Association. "People have got the scent that there is an underlying recovery in the sort of companies that recovery funds benefit from holding."

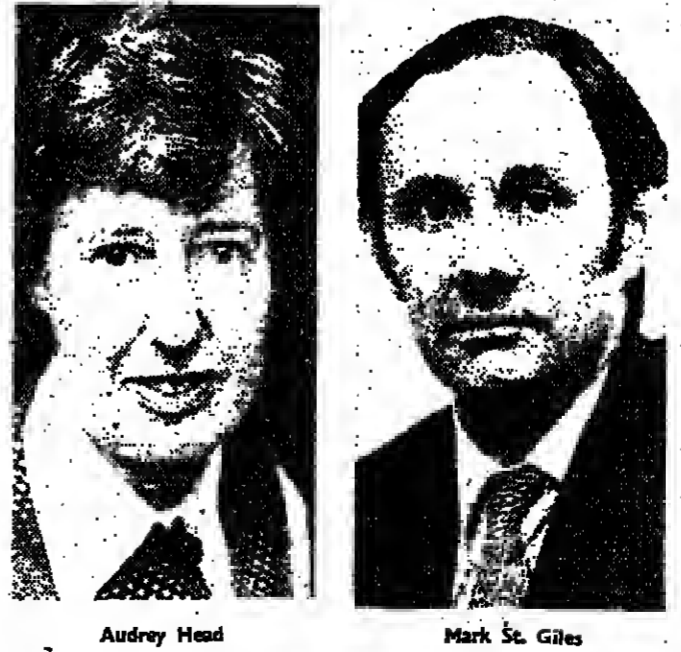
Mr Alan Wren of Gartmore feels that the investors did not just go overseas in 1981, but in some cases they went overboard as well. "It has taken some time to wean them back to the UK, but in the last month they have been piling in."

He thinks that this has been at the expense of investment in the U.S. "Our U.S. trust sales are very lacklustre. Japan is able to mark time and resist the trend."

Peter Pearson Lund of Henderson concurs: "The last couple of months have seen increasing interest in UK funds across the board. There is still a lot of business in Japan, but not in the U.S."

John Hodson of Target argues that "there is always the tendency to invest in markets when they are doing well but some people found that investing overseas was not the pleasant experience that they were led to believe."

"Now U.S. interest rates are scaring people. Most of those who come to us do not like to take high risks—they buy where they feel safe. At the moment that's in the UK."



But investment managers are not unanymous. Save and Prosper is positive about the merits of investing in UK recovery funds but says the investor is not so sure: "UK income funds will benefit from the cost cutting that has gone on, but the public is not falling over itself to buy them. We find it easier to sell overseas funds."

Audrey Head of Hill Samuel believes that the UK does not represent good value at the moment and "it's not my experience that a great deal of money is going into the UK instead of overseas."

Bill Elling of Barclays Unicorn thinks that a move out of trusts investing in the U.S. makes little sense. "There are still lots of basic problems in the UK. Everyone is saying what a ghastly mess Reagan is making. But the U.S. economy is run by industrialists—it is enormous strength. The discerning investor looks to the U.S."

To take that advice would be to swing against the tide of opinion, behaviour which characterises the "discerning investor"—when it works.

Dominic Lawson



**You're thinking  
of selling?**

**And you haven't  
spoken to Sotheby's?**

TREND OF INDUSTRIAL PROFITS ANALYSIS OF 202 COMPANIES

THE DEEPENING recession showed in the performance of the total industrial group. Profits before interest and tax were down almost 5 per cent, compared with a 7 per cent advance in the year before. After interest the decline was 14 per cent, illustrating the financial squeeze. Motors were wiped out at the pre-tax level and after paying a greatly-reduced but nevertheless uncovered collective dividend, recorded a negative cash flow.

metal forming showed the steepest decline of all at the trading level, with the return on capital employed virtually disappearing. Overseas traders returned the biggest rise in earnings—186 per cent—showing the benefits of a more favourable sterling exchange rate. The next table of industrial profits, scheduled to appear in May, will be the first of a new series. In order to make the tables more meaningful—and to bring them into line with the daily FT-Actuaries indices—future profit tables will report on the profits of the 750 Actuaries stocks (which account for some 90 per cent of the profits of quoted UK companies).

The regular Financial Times table of company profits appears below. It is compiled from reports published up to the end of January, 1982, by 202 companies whose account year ended in the period between April 15, 1981, and July 14, 1981. The figures are in £000 and the corresponding figures for the previous year are given in brackets.

Table with columns: INDUSTRY, No. of Cos., Trading Profits, Profits before Int. & Tax, Pre-tax Profits, Tax, Earnings per Ordinary Share, Div. dividends, Cash Flow, Net Current Assets, etc.

NOTES ON COMPILATION OF THE TABLE
Information required under the Companies Act, 1981.
Col. 1 gives trading profits plus investments and other net income property belonging to the financial year covered. The hours is struck before charging depreciation, loan and other interest, directors' emoluments and other items normally shown on the profit and loss account.

YOUR SAVINGS AND INVESTMENTS-2

Eric Short finds some interesting features in the first report of the insurance Ombudsman

Service with a small smile

COMPLAINTS by policyholders against their insurance company are inevitable because insurance is becoming more complicated. The variety of contracts available to the public is growing, and at the end of the day insurance involves one set of people dealing with another—from the contract being sold to the settlement of the claim.

INQUIRIES (1981) TO OMBUDSMAN
Enquiries relating to member companies current action position
Action completed: Adjudicated by Ombudsman, Settled by Company, Summary Advice given by Ombudsman, Not followed up by Policyholder, Outside terms of reference.

action of their insurance company is correct and follows good insurance practice. The bureau takes pride that every enquiry receives a positive answer and gives guidance on how to proceed, even though the Ombudsman for one reason or another cannot help officially.

Insurance companies have in recent years made steady progress in improving their complaints handling procedures, but this has been outpaced by the growth in consumerism. Last month, nine insurance groups, headed by three major companies—General Accident, Guardian Royal Exchange and Royal—broke new ground in the field of consumer relations with their policyholders.

Some critics of the scheme felt that the Ombudsman would be put under consumer pressure to assume that the insurance company was at fault until it could prove otherwise. The report shows this not to be the case. Of the 39 cases in which the Ombudsman adjudicated, he confirmed the companies' decision in 30.

The Life Offices Association and the Associated Scottish Life Offices have had a working party examining the function of the IOB and the other complaints procedure, the Personal Insurance Arbitration Service (PIAS). It feels both services need to codify the powers and responsibilities of the Ombudsman or the Arbitrator so that life companies know where they stand.

Adam on the eve of the Budget

TAXATION DAVID WAINMAN

ADAM SMITH said the tax which each individual is bound to pay ought to be certain and not arbitrary. The word he used to express the degree of desirability just over 200 years ago was "ought".

who arrives after October 5 in a fiscal year, thus not being able to meet the 183 days rule, but who makes it clear on his questionnaire that he has arrived for a definite, lengthy period.

think that any error of law is committed if the facts applicable to the whole of the time are found in one continuous story. Light may be thrown on the purpose with which the first departure from the UK took place, by looking at his proceedings in a series of subsequent years.

When you're not At Lloyd's

IMAGINE THE scene. An underwriting member of Lloyd's in the insurance market, has just been told by his underwriting agent that he faces insurance claims from the collision of two supertankers, a major air disaster at Heathrow, the cancellation of a major film after the death of the star, and hurricane damage in the Southern States of America.

When Lloyd's self regulation was studied by Sir Henry Fisher he concluded that stop loss insurance should be allowed to continue, although he had heard evidence arguing that such policies eroded the principle of unlimited liability. Sir Henry gave a warning that it would be wrong for members to arrange stop loss insurance on syndicates on which they participated.

It is normal for a member to have to bear the first 10 per cent or 15 per cent of overall loss. The sum insured varies from £50,000 to £100,000. The Inland Revenue allows taxation relief on the insurance premiums.

INVEST IN 50,000 BETTER TOMORROWS! 50,000 people in the United Kingdom suffer from progressively paralyzing MULTIPLE SCLEROSIS—the cause and cure of which are still unknown—HELP US BRING THEM RELIEF AND HOPE.

Lady Middleton, through an Association of External Members of Lloyd's, which she



# LANGUAGE COURSES

FINANCIAL TIMES REPORT

British indifference to learning foreign languages is a relic from an imperial past which continues to cause economic damage. Missed business opportunities are being matched too, by the movement of English lessons overseas. The answer lies not just in the need for a change of government tax policy but also in a thorough revision of the traditionally academic approach to the study of languages.

## Wanton waste of a national asset

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

GESTURES and smiles were no doubt enough to sell the wares of the earliest exporters, but the most sensitive minding possible could hardly convince a foreign customer of the merits of a particular brand of computer software. As centuries have passed language skills have become increasingly the primary asset of the international trader.

If Britain's attitude to the management of this primary asset were to be shown by a board of directors to the assets of their company, they would be in peril of imprisonment for culpable negligence.

We are more dependent than most nations on overseas trade. Yet few nations can collectively have less skill in foreign tongues or less apparent interest in increasing the skill which exists.

The reason for this combination of ignorance and complacency is probably that we are the original owners of the English tongue which, considerably modified by American usage, has become the business language of the world. Accordingly English itself has become an international asset, in the sense that foreigners are willing to pay money to be taught it. The overseas earnings of the various British schools, mostly privately owned, which teach English as a foreign language have been estimated at a minimum of £80m a year.

Whereas the country's attitude to other nations' tongues is thriftlessly nonchalant, its attitude to the asset value of its own language is almost prodigal. For the present Conservative Government seems content, not merely to see the private sector of English-as-a-foreign-language teaching (EFL) dwindle under the subsidised competition of the state education sector, but also to make a gift of EFL business increasingly to the United States and Australia.

Unlike its counterparts almost everywhere else, private language schools owned in this country are subjected to 15 per cent value added tax. The schools are thus at a disadvantage to three different kinds of competition.

One is the EFL courses being provided more and more by State-sector colleges, polytechnics and even university institutions seeking to attract overseas students despite the steep increases in their tuition fees.

A second kind is courses staged in Britain by private organisations exempt from VAT. Some of these are charitable trusts. Others are foreign-owned schools which avoid the tax by selling their services and collecting the bulk of the fees outside this country.

Such companies have never been more than the exception and one of them, Joseph Lucas, has heavily reduced its payroll. This single event may possibly account for the large drop from 649 in 1980 to 572 last year in total entries for the LCCI exams in German centres which have always come in major part from the West Midlands. Of the other main languages, French attracted more candidates (973 as against 828), Spanish only 118 compared with 159, and Italian held steady at 163.

But while VAT-exemption would help this country's private sector, the measure would not restore the boom which ended three or four years ago and which, at its peak, brought at least 200,000 EFL students into Britain a year.

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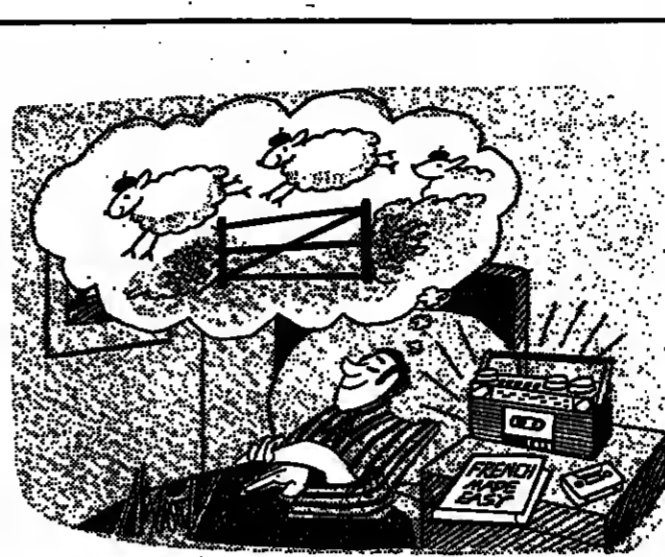
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## How to woo hearts and win contracts

BY ARTHUR SANDLES

Once you realise that no method of language tuition is going to give you access to a foreign tongue to negotiating standards in business in a few weeks the selection of a system of tuition becomes a simple calculation of time, money and need.

There are three levels of linguistic knowledge — tourist, social and fluent — and the leaps between them are huge. Most of us are aware that the schoolboy German that gets us into hotels and through supermarkets is not sufficient to sustain a pleasant dinner party chat. Similarly the ability to engage in such a conversation, which is about as much most of us mere mortals aspire, is a long way from a full intellectual grasp of the language and its culture.

It is as easy for a foreign hotelier to boast of French widows in every room as it is for an English woman to announce after a hearty meal that she is pregnant. The other day a social conversation in London took an odd turn and winged around for several minutes before a Chinese guest, who spoke seemingly perfect English, suddenly plucked up courage and asked: "Who is Eskimo Nell?"

For a quick introduction to the basics I prefer the cassette/book system. Language books alone cannot offer the necessary pronunciation skills, skills which you are going to need in order to understand, for example, the train announcements on the Moscow underground. The cassette, however, has proved an absolute boon to the language student.

The essence of learning a language, even at that level, remains application. The more willingness which the student brings to the task the easier the course will be. For European languages that

application comes a little easier. The Londoner learning French or the Parisian learning English can readily find newspapers, radio stations and restaurants where the language is used and can thus immerse himself in that culture before his visit. If the tongue is to be Tamil or even Serbo-Croat the task is a little trickier.

With languages such as French and German it is also possible to listen to, or record, the BBC Schools programmes, which are always helpful.

It is extraordinarily difficult to recommend any particular cassette/book course. One company's Swedish may be better, while another's Spanish is superb. Do try to get a trial listen before purchase — or buy on a test-and-return basis — see if the mood of the teaching style is in sympathy with your own learning processes.

There is no question, however, that the best tuition, and obviously the most expensive, is in the classroom, the very best being on a one-to-one teaching basis. For this you will be paying a few hundred pounds per week and it is important to check thoroughly on the chosen seat of learning. Language tuition attracts some cowboy establishments.

A sign of a good one is often the way in which it does not overbuild the possibilities. The setting of realistic goals for students is an important pre-tuition move. A mere 50 hours over two weeks in the most superb language school is not going to turn a student of Russian into someone with a linguistic flair to rival Chekhov.

Such courses are, naturally, for people who have both an urgent need and a considerable determination to learn. A good school will take its task seriously and expect the student to do the same. Beware, however, the school that promises an ability to woo hearts and win contracts after a couple of hours in the language lab.

Price guide: Basic phrase book, say, Fax or Berlitz, around £1. Cassette/book language courses to a fairly basic level, around £10. Class tuition, around £5 an hour, rising as classes get smaller. One-to-one tuition around £40 a week, perhaps including basic accommodation.



Foreign students learning English over lunch in a Gloucestershire pub as part of a course run by the Western Language Centre Cirencester

The third kind of pressure comes from other English-speaking nations. The U.S. is well placed to attract EFL students from the South American market which, diminished by the economic troubles of Argentina, can no longer be relied on by British schools to keep them going through the winter months. The U.S. has also captured the major share of custom from Japan, and is in strong contention for the growing demand from Korea, Taiwan and so on (expectations of large-scale business from China have not as yet been fulfilled).

British schools' hopes of obtaining a good share of the potentially lucrative Far East market are also reduced by apparently increasing competition from Australia, as well as being like their U.S. counterparts, free from VAT. Australian schools are evidently able to offer their EFL students work permits enabling them to take part-time jobs to complement their part-time linguistic studies.

Families which used to send children or come in their entirety to Britain to combine language-learning with a holiday, are now deterred by costs of transport and accommodation.

EFL teachers, many of whom learned their skills here, have set up good schools in numerous centres abroad. The mass market for so-called general-English lessons has itself moved overseas.

Bigger British schools have responded by sending staff to run courses in other countries. They are also increasingly concentrating their home activities on a part of the EFL market which still seems to be growing. This demand is for the tutoring of small groups of people, often sent by their employers, in highly specialised aspects of the language: the English of banking, or of management and the like. It is a demand which requires the supplier to have the resources either to recruit teachers with knowledge of the specialities concerned or to give them time off so as to acquire it.

Nonetheless, the smaller schools have so far survived the decline in demand in far larger numbers than pessimists were predicting even a year ago. Severe cutting of overheads at that time led to extensive redundancies among EFL teachers. But most schools still continue to re-employ staff during the summer, even though they may lay them off, and often close entirely, during the rest of the year.

In some instances the cost-cutting has resulted in students being taught in considerably larger groups, each with a wider spread of attainment in English than before. The consequence could well be a decline in the quality of courses which would bode ill in the longer term. But at present, in spite of the Government and all besides, the British EFL sector can fairly be said to be still ticking over.

The same is the best that can be said for the other side of language-teaching activity — the learning of foreign tongues

### LONDON CHAMBER OF COMMERCE FOREIGN LANGUAGE EXAMINATIONS

	Elementary entries	Intermediate entries	Advanced entries	Total entries	% passed
1971	865	464	128	1,457	77
1972	1,098	556	166	1,820	77
1973	1,383	508	138	2,027	77
1974	1,394	464	143	2,001	82
1975	1,145	439	157	1,741	84
1976	1,109	512	166	1,787	85
1977	1,207	550	266	2,023	86
1978	1,137	593	266	1,996	85
1979	1,061	475	151	1,687	85
1980	1,082	488	152	1,722	90
1981	990	614	141	1,745	91

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PROPERTY

Stately home trade

BY JUNE FIELD

IS THERE A private buyer with substantially in excess of £1m for an 11 bedroom, 9 bathroom stately country mansion complete with sweeping driveway, 60 ft paneled hall, library with ornately carved fireplace connected to a long gallery by a secret bookcase-door, gun room, stables block and four wine cellars?

The owner of North Myms Park in 35 acres near Hatfield, Hertfordshire, would like it to remain a family home, but has to concede that the days of great house living are long gone, so it will probably go to a company for business use. Architect Mr Gerald Wiedman bought the handsome Grade I listed house, part Elizabethan or Jacobean, with 19th century additions. From Major-General Sir George Burns in 1870, the price then, was what the then agents Strutt and Parker, refer to as a figure comfortably in excess of £300,000, in addition there was a sum for some antique items, such as tapestries, which did not go into Christie's contents sale, which made, incidentally, £2,500,131.

Since buying the house, Mr Wiedman told me that he has spent "many tens of thousands" on improvement works including re-wiring, overhauling the central heating boilers, making



North Myms Park, Hatfield, Hertfordshire, listed Grade I Elizabethan mansion with 11 bedrooms, 9 bathrooms, long gallery, stable block with staff accommodation and grounds of 35 acres

the roof watertight, and generally caring for the fabric of the place and keeping up the beautiful gardens. One does not make any money on this sort of property," he insists, somewhat ruefully. It was his original intention to live in North Myms, but upon reflection he decided that his present family home, Piccotts Farm, not far away, originally a medieval hall house, was "more intimate."

North Myms has a long pedigree, beginning with its ownership around 1066 by Robert, Bishop of Chester, and it was referred to in the Domesday Book 1086 as "Mimmine." It came into the possession of the Coningsby family about 1330, and Sir Ralph Coningsby, a prominent figure in the High Sheriff of Hertfordshire, who succeeded to the property in 1590, pulled down the original house about 1599, and built the present day manor. The house was probably most fully lived in during the ownership of his second son, Sir Ralph

Coningsby, who had 18 children, of whom only one died in infancy. There was a bad patch though in the Civil War of 1642, when Sir Ralph, a staunch Cavalier, was hauled off to the Tower of London, and Cromwell ransacked the house. After 1658 the manor passed through a succession of distinguished owners, including the Duke of Leeds and Baroness Grenville, and it was during the latter's ownership, around 1846, that the two towers with their copper-covered gable caps, reminiscent of Hatfield House nearby, were added.

In 1892 the estate was bought by Mr Walter Hayes Burns (grandfather of Major-General Sir George Burns), whose wife was a sister of American banker Pierpont Morgan. Considerable internal modifications and enlargements were carried out for the Burns by Sir Ernest George (1839-1922), fashionable London architect for whom Sir Edwin Lutyens worked for nearly a year in 1887. After the

death of her husband in 1897, Mrs Burns, under the guidance of her banker brother, started to scour Europe for treasures, and it was these sumptuous works of art which filled the rooms of North Myms up until the Christie sale. Now only some of the furniture, carpets and garden ornaments remain together with some magnificent tapestries on the oak pine and cherry wall panelling. If you take a look under some of the tapestries (which can be bought with other items for an extra sum), it is apparent in places that woodwork, although old and fine quality, is not original. Mr Paul Hutchings, residential partner Hampton and Sons who are marketing the property maintains: "At the top of the market, say over £1m, there is a shortage of this type of quality house, and already there are several companies tremendously interested." Serious enquirers can get a colour brochure from him at Hampton's, 6 Arlington Street, London W1.

with oven, refrigerator, dishwasher and washing machine. There are working fireplaces, built-in barbecues, wrought-iron balconies, and in one particularly intriguing design, a tower with a dove-cote, with its own secluded roof-top terrace to hide away in the sun.

Prices are from around £60,000 to £90,000, and owners get free use of the Marbella Club amenities including the attractive beach-side facilities. There is also a small country club with its own tennis court on the development. Brochure from Mrs Jennie Pinder, Fincosol, 4 Bridge Street, Salisbury, Wiltshire SP2 2BQ, who will organise flight and a stay at the Marbella Club, a visit to the nearby Balcones del Mar, and a tour of other properties in the area.

A touch of style in Marbella

THE CARPENTER was putting the finishing touches to the pilot's (show)house, as the sun went down, glowing blood-red over the Atlas Mountains of Africa, starkly clear across the water.

The six white Andalusian-style villas grouped around a swimming-pool and soon to be flower-filled courtyard, are in the peace and quiet of the lower hills near Marbella. Balcones del Mar, with its superb views of the Mediterranean and the Serra Blanca, is a select development by Prince Alfonso Hohelohe, founder of the Marbella Club in 1958, creator of the original jet-set image of the resort.

There is still the chance to indulge in stylish living, too.

We flew Iberia first class Heathrow to Malaga, a little over two hours, with champagne and caviar, tepas en route, and drove the 40 minutes or so to stay at the Marbella Club, where the elegant bungalow-type accommodation is tucked away in lush greenery, edging the heated swimming pool, where even last month it was warm enough to swim outside.

The restaurant was full at dinner that evening: it was a special Austrian night with guests in appropriate dress. In excess of 75 per cent of Balcones del Mar is financed from shareholders' funds, and the cost of the first phase, including pre-development costs, is approximately 60m pesetas. The directors are

Prince Hohelohe, Mr Tom Elek, a British solicitor, and Mr Ernest Matthews, property man previously with Bovis in Britain. The Prince, founder of Volkswagen in Spain, and who holds several tourist awards of merit from the Spanish Government, explains the idea behind his latest project: "The accommodation is specially designed to appeal to those who want something more than an apartment, but who do not want the responsibility and worry of a house on its own."

The smart easy-to-manage houses have two or three bedrooms, good-sized living-rooms plus patio, two bathrooms and a useful dressing-room with a bank of cupboards, air-conditioning, and a kitchen complete

BRIDGE

E. P. C. COTTER

TWO HANDS from recent sessions of rubber bridge caught my fancy, so I pass them on to you. There is nothing startling in either of them, but they are useful reminders of plays that should be part and parcel of every player's repertoire. Let us see how the declarer banded this situation.

Bridge hand diagram showing cards in North and South hands. North: ♠ 6 5 4 3, ♥ J 10, ♦ 10 5 4 2, ♣ K 9 3. South: ♠ A K 7, ♥ A Q 2, ♦ A K 6, ♣ Q J 10 7. The text describes the play sequence where South leads the King of hearts and North wins with the Ace, then South leads the King of spades and North wins with the Ace, and so on.

CHESS

LEONARD BARDEN

SUNDAY February 28 is likely to be a key day for England's chances in the current series of world title eliminators which will eventually produce a new challenger for Anatoly Karpov. Our five representatives in the West European zone at Marbella, Spain, all qualified for the final pool of eight players, of whom three will progress to the interzonal. The final pool ends tomorrow.

This is already a significantly good result in view of Britain's poor 30-year zonal record since the introduction of the championship qualifying system. Harry Colmbek reached the interzonal in 1952, Tony Miles in 1979, and that is the sum total of our achievement.

At Marbella the young English masters, all aged under 30, dominated the preliminary groups and four of them did significantly better than their current world ratings would indicate. The negative exception was, surprisingly, Grandmaster John Nunn, hero of Wijk aan Zee earlier in the month, who was unwell at the start and left a piece en prise to Scotland's Colin McNeB in the final round. Fortunately, his rival for the final qualifying place also lost.

Results in the two qualifying sections were: A: Short (England) 3 out of 10, Lightnik and van der Wiel (Holland) 7, Nunn (England) 6, McNeB (Scotland) scored 4;

and Doyle (Ireland) 2. B: Most (England) 8, Stean and Hebdon (both England) 7, Rivas (Spain) 6, Jones (Wales) scored 3 and Blow (Jersey) 0. Scores in the final pool with three games to go were: Mestei 3 out of 4, Nunn 2½, Stean and Lightnik 2, Rivas 1½ and 2 unfinished, van der Wiel 1 and 1 unfinished, Short 1, Hebdon ½ and 1 unfinished.

FIDE, the World Chess Federation, has more than 100 affiliated nations and political difficulties can occur in grouping them. For example, Israel's representatives compete not in their natural geographical areas of the East Mediterranean or West Asia but in the "Nordic zone," alongside Sweden, West Germany and Iceland. This arrangement has benefited the Israelis in the past two championship cycles. They placed two men in the interzonal in 1979, while at the recent zonal in Denmark the Israeli Jacob Murey, an ex-Russian and an ex-Korchnoi, finished second to a Swede and qualified for the Grandmaster title.

Murey was reportedly dropped from Korchnoi's team when his inventive, offbeat tactical ideas took up too much of his principal's time; but as this initiative shows, he can also play direct attacking chess.

WHITE: Y. Murey (Israel). BLACK: E. Mortensen (Denmark). Opening King's Indian Defence (Randers zonal 1982). 1 P-Q4, N-K3; 2 N-Q3, P-K3; 3 P-K4, P-Q3; 4 P-Q4, B-N2; 5 P-B3, 0-0; 6 B-K3, P-K4;

White's intention was 14 B-B4 as in the actual game when if N-B2; 15 0-0 maintains pressure. 14 0-0, PxP (or N-B2; 15 B-B5, R-B2; 16 B-B4 with advantage); 15 B-B4, N-R1; 16 N-QP, N-R1; 17 Q-N3, Q-B2 (if QxQ, 18 BxQ with threat of B-B5 and N-N5); 18 N-QP, B-B4; 19 B-B5.

Decisive, for if R-B1; 20 B-Q6, Black tries to limit his losses to rook for bishop but falls for a smothered mate. 19 ... N-Q2; 19 Q-N3 ch! Resigns.

Knave of spades, which is won in hand. At this stage declarer knows that West started with nine cards in spades and clubs; therefore, he can have only four red cards. The Ace and King of diamonds are cashed, and West is found with a singleton. The game is in sight. South cashes his last club, and throws West in with a spade. This allows West to make three spade tricks, but then he has to lead from his heart King into South's major tenace.

The next hand was dealt by South at a love score: ♠ Q 7 6, ♥ Q 4, ♦ K 8 6, ♣ K 10 8 7 2. ♠ A 5 4 2, ♥ J 7 6, ♦ A Q J 2, ♣ A 6 5. ♠ A K 9 2, ♥ A K 9 5 4, ♦ J 9 3. South bid one heart, to which North replied with two clubs.

White's intention was 14 B-B4 as in the actual game when if N-B2; 15 0-0 maintains pressure. 14 0-0, PxP (or N-B2; 15 B-B5, R-B2; 16 B-B4 with advantage); 15 B-B4, N-R1; 16 N-QP, N-R1; 17 Q-N3, Q-B2 (if QxQ, 18 BxQ with threat of B-B5 and N-N5); 18 N-QP, B-B4; 19 B-B5.

Decisive, for if R-B1; 20 B-Q6, Black tries to limit his losses to rook for bishop but falls for a smothered mate. 19 ... N-Q2; 19 Q-N3 ch! Resigns.

Chessboard diagram for Position No. 412. White to move. The board shows a complex position with White pieces on a8, b8, c8, d8, e8, f8, g8, h8 and Black pieces on a7, b7, c7, d7, e7, f7, g7, h7.

Geller v. Z. Nilsson, Stockholm 1954. White (to move) has only a rook for king and knight, but Black's king is trapped in the centre. White has a variety of tempting checks such as 1 Q-R8 ch, 1 Q-K5 ch and 1 R-K1 ch, but only one clear way to win quickly. Can you find it? Veteran Edwin Geller, five times a world title candidate, is among the 14-man field for

South said two no trumps—ha is just good enough for this rebid—and North's three no trumps concluded the auction. West led the Knave of spades, East played the four, and the Ace won in hand. The declarer now played the club nine and ran it, losing to the Queen. East returned the two of spades to the King, and the declarer continued clubs to dislodge the Ace. West woke up to the need for a diamond switch, but South had nine tricks in the bag. North muttered the usual, "Well played, partner," and the cards were cut for the next deal. But nobody said anything to East.

A little thought would have shown East that the spade suit was a lost cause. He looked reasonably certain that his partner held the Ace of clubs. In that case a diamond re-entrant, two, not an honour—would defeat the contract. When West got in with the Ace of clubs, he would return a diamond, and allow East to take three tricks in the suit.

White's intention was 14 B-B4 as in the actual game when if N-B2; 15 0-0 maintains pressure. 14 0-0, PxP (or N-B2; 15 B-B5, R-B2; 16 B-B4 with advantage); 15 B-B4, N-R1; 16 N-QP, N-R1; 17 Q-N3, Q-B2 (if QxQ, 18 BxQ with threat of B-B5 and N-N5); 18 N-QP, B-B4; 19 B-B5.

Decisive, for if R-B1; 20 B-Q6, Black tries to limit his losses to rook for bishop but falls for a smothered mate. 19 ... N-Q2; 19 Q-N3 ch! Resigns.

Chessboard diagram for Problem No. 412. Black to move. The board shows a complex position with White pieces on a8, b8, c8, d8, e8, f8, g8, h8 and Black pieces on a7, b7, c7, d7, e7, f7, g7, h7.

White mates in two moves, against any defence (by C. Mansfield, 2nd prize FIDE 1927). 'One of many elegant prize winners by Britain's leading composer. In an over-the-board game, most players would discard White's key move without analysis. Solutions Page 14

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Tasting can be testing. WINE EDWARD PENNING-ROWSELL. WINE TASTING is the unsympathetic - with occasional hazard of those who write about wine as well as those professionally engaged in buying and selling it. Though enjoyable, it is not so enjoyable if the wines are poor, and increasingly arduous if too many. A few weeks ago the importing agents, Brooks, Bodley & Co., were tasting for their five principals - 94 wines in all on their lists, and probably quite a number more, brought over by their enthusiastic producers. I tasted about half those listed and some others, but I would not claim much value in my assessment. Among the Langue AOC, Alsace wines, 79 Pinot Blanc and Tokay that would retail for rather less than £3 had a full, attractive character, the 79 burgundies from the distinguished house of Jacques Prieur were attractive but very light, except for a Chambertin, which would not sell for much less than £20 a bottle, while the '80 Lotres lacked fruit; and the 1980 Ch. Chasse-Spleen (c. £4.50) of Patrice Calvet was surprisingly big in colour, oaky and with good depth of flavour. Twenty, probably, is about the maximum number of table wines from which one can make much sense, especially as at a trade tasting most present will want to re-taste at least some of the wines. Professionals often taste more, but if they are expected to put their money, or their firm's money where their palates are, they will be advised not to choose from too wide a range at one session. The late Ronald Avery of Bristol, a very experienced taster, always insisted on having bread or biscuits to nibble between samples. Nearly all table wines taste better with food. Hence the old trade adage, "buy on an apple, sell on cheese." I always ask for water. Nevertheless, whatever one's reservations, it is almost impossible to resist the challenge of a long line of distinguished or interesting wines. Such is the annual trade tasting of Louis Latour's white and red burgundies (in that order). Their last London tasting was almost entirely devoted to the 1979 vintage: 28 wines. Firm retail prices cannot be quoted, but no Côte d'Or can look inexpensive these days, partly because few of us mentally allow for inflation on both sides of the Channel. On the other hand an excellent Macon Lugny, Les Genevrières retailing at about £4 cannot be thought dear, although an oak-

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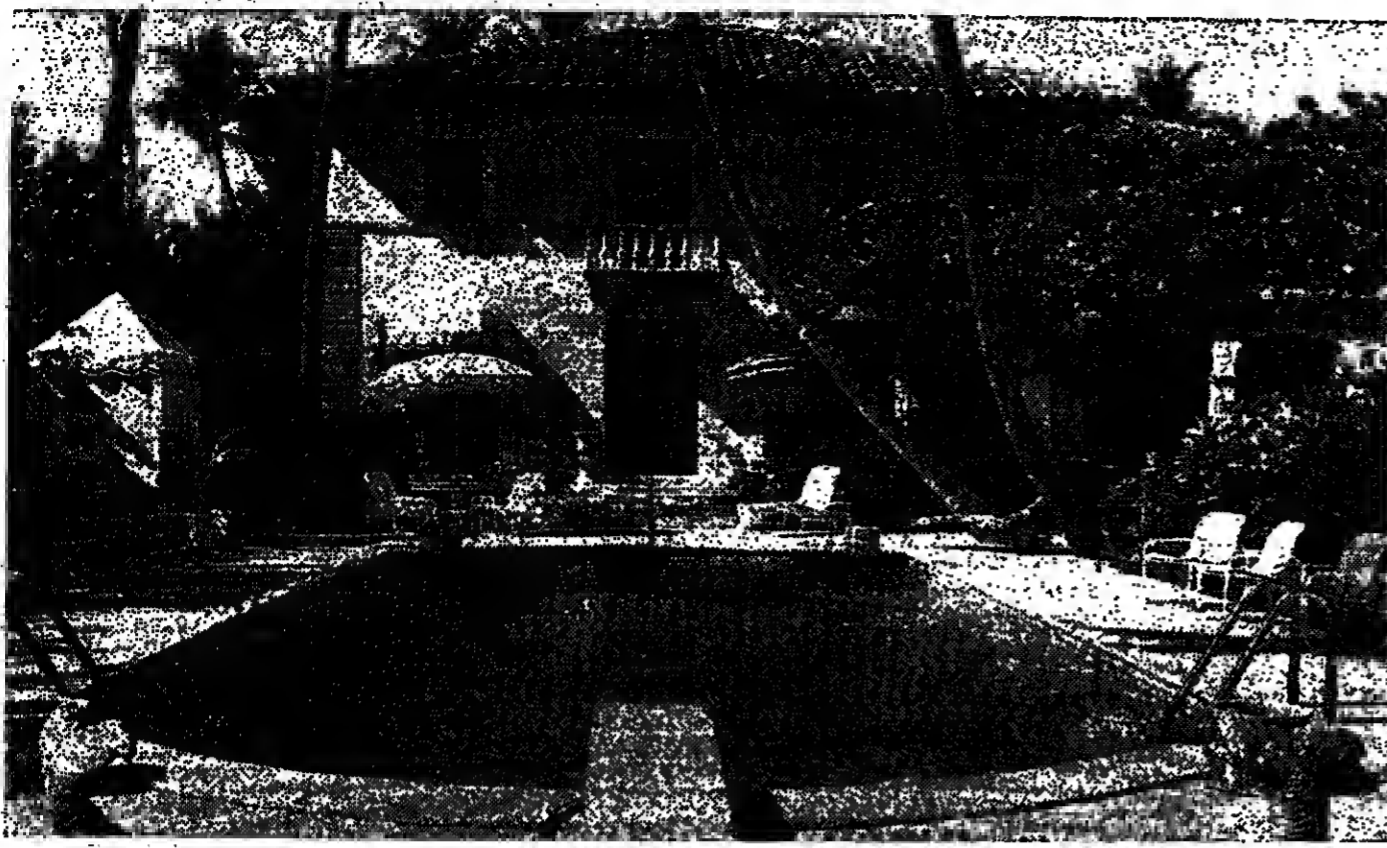
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LEISURE



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Opulent privacy away from it all

SADLY, PERHAPS, it was Cuba that convinced me that there is a great deal to be said for opulent privacy. After several days rubbing shoulders with beefy East Germans and Russian technocrats of the most extraordinary shape I was shown the former Hemmingway retreat on the island.

and extremely comfortably furnished, could set you back as much as £7,000 a month. You can, of course, halve that if you are prepared to move a little way from the sea, the golf course or prize resort.

TRAVEL

ARTHUR SANDLES

There are some basic ground rules. Swimming pools are the norm in quite modest villas in Spain, Portugal and the Caribbean, but tend to push the rental price up considerably in British or France. It is not always easy to find reliable staff at short notice in some countries, but a good agency should be able to offer advice on whether to take a cook, for example, from your home country or find one locally.

Most villas at the top end of the market offer maid service of some sort. Almost all seem to have gardeners, and any luxury villa worth its salt will offer a telephone (although you should expect a deposit to cover potential over-spending in these direct dialling days).

Although it is the specialist companies which offer the greatest expertise in this particular field, do not discount those which operate in the more popular end of the market. Many of the well known villa companies have little nuggets of real luxury tucked away in their pages.

The heartlands of the luxury market tend, however, to remain the coastal fringes, the islands and, for apartments, the centres of capitals.

Unhappily, even if I could afford it, the Hemmingway cottage in Cuba is not for rent. Indeed its polished floors cannot even be walked upon by visitors, who have to make their inspection through open windows. Its gardens nonetheless remain a joyous escape from the Caribbean sun and a reminder of other times and other life-styles.

Difficulties of programming vegetables

I SUSPECT that one of the most difficult problems for inexperienced vegetable growers is knowing when to sow each crop. Books and seed catalogues tend to be vague on such matters giving broad sowing periods but few precise interpretations.

Some crops grow much more slowly than others, some require fairly high temperatures for germination and some varieties are bred to give their maximum production in particular combinations of temperature and day length.

because it stands so well. This past season I was picking sprouts from October until February despite the atrocious weather.

In Sutton's 1982 seed catalogue there are two interesting tables - giving recommended programmes for cabbages and lettuces. The cabbage table shows Dipsi, a neat and compact early variety, with a sowing period restricted to February under glass to give an almost equally restricted harvesting period in late May and June.

are very sensitive to frost there is not much point in sowing before April for outdoor planting and even that will mean potting the seedlings singly for the last few weeks before planting out in early June.

RACING

ALTHOUGH today's Kempton card boasts two major Test sponsorships, by far the most interesting race of the day is Doncaster's considerably less valuable Pennine Chase. There, Night Nurse, the 11-4 favourite for this year's Cheltenham Gold Cup, tackles the rejuvenated

Gold Cup winner of 1978, Midnight Court. They meet on level terms in a three mile event, which is likely to tell us whether Midnight Court is back to his best.

Neither Midnight Court nor Night Nurse is averse to making the running, but my guess is that Sherwood will feel required to step up the tempo at least a mile from home, if Jonjo O'Neill is proving reluctant to set a reasonable pace on a chaser who was fast enough to win two Champion Hurdles. The

small size of the field (The Engineer being the only other runner) should favour Night Nurse, and he looks the one to be on this time. However, no one should be surprised to see the 1978 Gold Cup hero show that next month's prize is again within his grasp.

Talbot's bargain basement hatchback

THE METRO CITY'S reign as the cheapest EEC-made hatchback on the British market was short. Five days after BL announced that the City under-sold the Fiesta Popular by a fiver at £2,250, along came Talbot on Monday with a really bargain-basement hatchback—the £2,994 Samba LE.

MOTORING

STUART MARSHALL

ambition. The Samba will make a lot of new friends for Talbot as well as giving those who mourn the disappearance of the Hunter-based Sunbeam rear-wheel-drive hatchback something to switch over to.



The Talbot Samba. It has been selling well on main land Europe. Now it presents a cut-price challenge to the Metro and Fiesta in Britain



The Avon-Triumph Acclaim. For another £1,500 or so, leather seats, walnut veneer and a fancier exterior



The new Daihatsu Charmant. Aimed at the Triumph Acclaim customer

which made for a few awkward moments when rushing up the Bouley Bay hillside road, but the Samba held the course well and felt disciplined on the corners. The steering is light and the ride excellent; one expects as much of a French car, whatever its size and price.

up period to 1983's first major international motor show in Geneva, which opens next week. Daihatsu, best known in Britain for their four-wheel drive cross-country vehicles and the diminutive Domingo and Charade runabouts, have extended their range with the Charmant. This four-door, front wheel-drive saloon comes with 1,390 cc or 1,588 cc engines and five-speed manual or three-speed automatic transmissions. Prices are from £4,249 to £4,999 which look keen and, as an added incentive, the cars have an eight-year warranty Protectol anti-rust treatment.

I have not yet tried the Charmant, which looks as though it will compete for much the same kind of customer as the Triumph Acclaim now attracts. This week, a special coachwork version of this attractive small/medium saloon was unveiled by Avon Coachwork, who impressed a lot of visitors to the 1980 International Motor Show at Birmingham with their Jaguar estate car.

TRAVEL

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BOOKS

1900 & all that

BY ANTHONY CURTIS

1900 by Rebecca West, Weidenfeld and Nicolson, £10.00, 419 pages

The Meaning of Treason by Rebecca West, Virago, £4.50, 258 pages

The Harsh Voice by Rebecca West, Virago Modern Classics, £2.95, 250 pages

In 1912 a novel appeared with the title The New Humphry Dumpty by one Daniel Chaucer. It concerned a nobleman tied to a wife socially his inferior whom he had married in a fit of Fabian passion, a union he regrets but cannot escape from. It was noticed anonymously, as was customary to those days, in the English Review. In the course of his review the reviewer identified the true name of the author correctly as Ford Madox Ford. Ford's motive for concealing his identity was because he did not wish any royalties from the book to go to his estranged wife Elsie—he was living with Violet Blunt at the time at South Lodge on Campden Hill—and because the wife in the book was cruelly based on Elsie.

Fascinated by the review, Ford and Violet pursued the author of it who turned out to be an incredibly beautiful girl of 18. She had huge eyes and an enchanting voice, and was already a veteran of journalism, having started her career the previous year in a paper called The Freewoman. Her name was Cicely Isabel Fairfield, but she wrote under the name of Rebecca West which she had acquired from Ibsen's Rosmerholm. The period before the First World War was clearly a great time for pseudonyms. In this case the name of the pseudonymous author was chosen to suggest the hitherto name and belongs today to Dame Rebecca West, DBE, who 70 years later has just published a new book at the age of 90.

A collection of her earliest journalism from 1911 and 1917, when she wrote articles in the causes of feminism and social reform, as well as review-



Cicely Fairfield (who was to become Rebecca West) eating blackberries, aged six, in 1900, with her sisters and cousins. A new book by her is reviewed today

ing books regularly for the Daily News, will be published next year as The Young Rebecca. After blowing Ford's cover (to use a jargon she became familiar with in her later career) she became a friend of Ford and Violet and went on to blow the cover of dozens of eminent figures in both literature and current affairs. In this respect the apogee of her career was reached after World War II when she was invited by Harold Ross to cover the trials of John Amery and William Joyce for The New Yorker, articles which later appeared in book form in The Meaning of Treason. Not even a student of affairs as perspicacious as Dame Rebecca can have realised then what a growth industry reason would become, keeping her in full employment for many subsequent years with the likes of Nunn May, Pontecorvo, Vassall, Philby, et al. A new edition of the masterly Meaning has just appeared with a preface by Dame Rebecca written last year in which she refers briefly to the *offshoot* Blunt in forthright terms—

It does not matter two pence whether persons in such circumstances are respected by any learned society. The proceedings of such bodies are rarely of importance, and members can forget that with such company as they find congenial. But to offer a man immunity from legal action and a perpetuity of employment in the area of society which is supposed to be the fountain-head of inspiring his story is availing himself of his idiosyncrasy. But aside from journalism of this trenchant order, and a vast output of literary criticism till it is easier to find a needle in a haystack than a hook of any importance Dame Rebecca has not read what began in 1916 with a volume on Henry

James, she has from time to time published novels and stories. Here her prose is like a mighty river which bears the enchanted reader along in his skiff. Hers is a parallel case to that of Ford: the omniscient journalistic presence has occluded for the reading public the more poignant achievement of the artist. Slowly but surely, in their great tidal wave of reprints of neglected women writers whose work appeared between the wars, the admirable Virago Modern Classics series is putting that right. In *The Horseshoe*, which has just been reissued, Dame Rebecca emerges in four long short stories as an acute observer of the pains of wedlock among antagonists whose backgrounds are French, English and American, and whose foregrounds are abundantly full of material comfort and riches. In almost 50 years since the book was first published circumstances have changed but the writer's perceptions underlying them remain valid.

1900, which has the shape of a portfolio of drawings, might seem to be something of a new departure for Dame Rebecca, the re-creation in words and pictures of a year when the twentieth century was born, and cracks apparent in the still resplendent Victorian imperial structure. In that year the author was herself a girl of six living in Richmond with two sisters and a politically-minded father whom she adored. She remembers hearing from a sick-bed the shouting in the streets at the relief of Mafeking, at the whole of it is not personal memory she rifles in this book, so much as a vast reservoir of acquired knowledge and of perpetual curiosity about individuals and institutions. The Boxer risings in China against Europeans which occurred in

1900 are briefly dismissed but the Boer War is pondered at some length and leads to merciless vignettes of Joseph Chamberlain and Milner. From the meetings in the Memorial Hall, Farringdon Street in 1900 which inaugurated the British Labour Party we move to university education, to Ruskin College (founded a year earlier), to the London School of Economics and to the Webbs, but then by one of those kingfisher-like swoops of Dame Rebecca's mind, we switch to the new Free University of Brussels and the careers of the two Reclus brothers, one of whom ended his varied career as a professor there.

It is among forgotten innovative people such as these anarchic Reclus brothers that the book abounds, among people such as Sir Frank Swettenham and Marshal Lyautey, colonial administrators, and Charles Hartley, who as chief engineer of the Danube Commission for 51 years succeeded in de-polluting that river. Such people are resurrected from the reference shelves through Dame Rebecca's impassioned prose. Hers is an eclectic, idiosyncratic, refreshing way of looking at history.

Chronologies of the period of a more orthodox kind are provided in the preliminary pages and there are a number of unusual photographs, giving evidence of intensive picture research, though these do not always chime with the text. The copy-editing is sometimes slovenly, e.g. "Christ's College, Oxford," "Lawrence Olivier," "Gauguin."

Golden SF

BY RAY LARSEN

The Golden Age of Science Fiction, edited by Kingsley Amis, Hutchinson, £6.95, 370 pages

The main attraction of this collection is the long and erudite introduction by Kingsley Amis mulling over the state of the art 21 years after the publication of *New Wave of Hell*, his definitive study of science fiction. He argues that the genre started to decline with the arid intellectualism of the New Wave movement at the beginning of the 1960s and the growing interest of the academic establishment. His golden age is the period 1949-1962 when heroic story-tellers still dominated the landscape with their hold over simple concepts. According to Amis the decline of SF has been accompanied by the rise in its respectability—"Now you can take it anywhere and it is not worth taking."

The collection draws heavily on the famous SF magazines and include old favourites from Arthur C. Clarke, Isaac Asimov and Paul Anderson. There is also a fascinating surrealist piece by J. G. Ballard, although it is not clear how this example of New Wave writing escaped the Amis prescription.

Project Pape, by Clifford D. Simak, Sidgwick and Jackson, £7.95, 313 pages

Simak follows in the footsteps of such notable figures as C. S. Lewis and Philip K. Dick in producing a convincing science fiction novel with a theological theme. In his usual folksy, easy-going manner he presents a series of paradoxes. A race of humanoid robots wishes to emulate mankind by developing a religion of its own. But how can beings who have no spiritual aspirations produce a creed which is satisfying and relevant?

Their answer is to set up a vast computerised programme which will last for centuries. When it has gathered together all the knowledge in the universe then they will know the answer to the riddle of creation. The snag comes when they clash with an alien creed in a distant galaxy and find that the universe itself is not big enough to accommodate rival gods.

One-man show

BY ZARA STEINER

Mussolini by Denis Mack Smith, Weidenfeld and Nicolson, £12.95, 429 pages

Mussolini preferred to deliver his speeches standing on a footstool: Denis Mack Smith has written a political biography which reduces the dictator to his actual size. It is not easy to get behind the larger-than-life image. Despite his posturings, Mussolini was an intensely private man, dining apart, taking pride in his isolation and almost avoiding all intimacies. There was no Italian Speer to describe, for another generation, those charismatic qualities which made the Duce the most admired man in Italian history. No-one seems to have known the "real" Mussolini. It is Mr Mack Smith's contention that the self-created myth became the reality and that, in the end, Mussolini was its prisoner.

From the start of his career as a journalist and political agitator, Mussolini is not easy to see more interested in tactics than in ends. He fought his way up from relatively humble beginnings, using his polemical talents to create a "rag-hag" of a movement which through the use of violence and marriage, conventionally became within three years the ruling party of Italy. Denis Mack Smith insists that violence and propaganda were the essence of Mussolini's fascism. The squadristi created the chaos that Mussolini would be called upon to quell. Intimidation and violence were used to tame the opposition and to bring the Duce's followers to heel. Thereafter, the press and the public platform paved the way for the all-powerful dictator and the "new Italy." To govern Italians, Mussolini said, "you need only two things, police men, and bands playing in the streets."

There was, of course, more than motor oil and speeches. In the early years, there was

Mussolini's vitality, his political shrewdness and sense of timing, so important to the aftermath of the Matteotti murder. There was the terrible weakness of his opponents. But, above all, there was that acute sense of knowing what would be accepted. After all, it was the King who called on Mussolini to take office; 400 policemen proved sufficient to stop the Fascist train before they reached Rome. Former prime ministers gave their approval, as did the Chamber (where the Fascists were a tiny minority) and the Senate (where there were no Fascists). Few knew better the weaknesses of men than Mussolini was neither greedy for riches or for land. After 1923, all power was centred in his hands. Mussolini told the country what he wished his compatriots to bear and he said it so often and so convincingly that his rhetoric became their reality.

Mr Mack Smith suggests that the consensus behind fascism was largely cynical, depending on success or the illusion of success. Yet one feels that however limited the Fascist achievement was, Mussolini would have died in bed, still the revered leader, had he not made the fatal mistake of entering the European war. And like so many politicians before him, the Duce turned to imperial adventures to sustain the image of the "new Italy."

Worse still, Mussolini came to think of himself as a great general, a grand strategist who did not need to listen to his more realistic generals and admirals. The path to national prestige and power via empire was to prove Mussolini's undoing. He thought he could play the diplomatic game successfully and lost dismally. Engaged in a European war for which Italy was totally unprepared (as even Mussolini recognised and hence hoped would end a few weeks after Italian intervention), the terrible discrepancies

between claims and resources were brutally exposed. The play was over. The main actor collapsed. The audience proved fickle. Mussolini was the most detested man in Italy.

Mr Mack Smith has underlined the illusory character of Mussolini's achievements. The multi-volume studies of the dictator and the detailed local histories of Italian Fascism have given, sometimes inadvertently, a depth and complexity to the man and the movement which they clearly did not have. But it may be that Mr Mack Smith has not totally solved the mystery of Mussolini's success. The man behind the colossal image is made almost too small to explain the deception of so many. Can the tactics of the bully or the supreme arts of the propagandist really be the basis of Mussolini's appeal?

Not was it only the Italian leaders and people who were so cruelly deluded? Hitler and the Allied leaders respected and courted him before the war. Differences over the Duce divided Chamberlain from Eden and split the Foreign Office establishment into factions.

As the Ethiopian crisis clearly demonstrated, a high price was put on Mussolini's friendship, and when the Stresa Front collapsed, the British did what they could to reconstitute it. Mussolini, increasingly removed from the real world and any associates, believed his country strong enough to offer part of the Italian air force for the Battle of Britain and to spur Hitler's offer of tanks for the Desert War. His dreams may have had no foundations but they were believed by many. It may well be that the Italian dictator was bound to over-reach himself and the house of cards destined to collapse. But it lasted some 20 years.

Mr Mack Smith is the "great debunker" in Italian history. His work on Cavour has already forced Italian historians to re-consider the roots of the Risorgimento. This treatment



Mussolini—where did he go wrong?

of Mussolini is bound to create controversy in Italy. Few will find much cause for optimism in these pages; neither those who believe in authoritarian government nor those who place their confidence in the wisdom of the people. Though written for the general reader, there is no question of Mr Mack Smith's command of his subject and the power of his thesis. He does not make Mussolini a banal figure, but he underlines the cruelty of the man (comparisons with Hitler always disguise this element in Mussolini's character) and the violence of the regime; the spurious nature of his so-called accomplishments. He stresses the Duce's power and then his physical and mental decline. He has rightly injected a note of realism into a debate which threatens to complicate what was in essence a one-man show. Mr Mack Smith has done his job in a sober and sobering study. Yet in the end the puzzle remains. It is the extent and duration of Mussolini's success which leaves one with a sense of deep unease not only about the past but about the future.

Fiction

Pym's Number Two

BY ADAM MARS-JONES

An Unsuitable Attachment by Barbara Pym, Macmillan, £6.95, 256 pages

Two Women and Their Man by Mervyn Jones, André Deutsch, £6.95, 240 pages

The Soul's Gymnasium by Harold Acton, Hamish Hamilton, £7.95, 165 pages

It is a cultural commonplace that books can change people's lives; but *An Unsuitable Attachment* changed its author's in a way she neither expected nor relished when it was rejected by her publishers in 1963.

Another 15 years were to pass before she resumed her public career as a novelist, and she died before the offending volume joined its fellows in print. This, then, is the final specimen of Early Pym, characterised by Philip Larkin in his Foreword as a period of "undiminished high spirits," and certainly Barbara Pym is a splendidly funny writer; but light-heartedness is never the impression she leaves with the reader. Early Pym is likely to focus on spinsterhood and the suburbs, Late Pym on retirement and a village, but the method is consistent. Nothing as blatant as a plot is ever offered; the narrative unfolds instead as a scrupulously insignificant series of events.

In *An Unsuitable Attachment* we are introduced to the inhabitants of St Basil's, a North London parish. We come to know their opinions of themselves and of each other; only gradually does a central figure emerge, Janthe Broome, elegant and well-bred though no longer young, is wooed by two men: imperceptibly by a contemporary, and ardently by a man many years her junior, whom eventually she marries.

This is the "unsuitable attachment" of the title, and with it the book comes slightly unstuck. Janthe Broome may see herself as an Elizabeth Bowen heroine, but the style and method of the book in which she features owe everything to Jane Austen.

This style, with its mild but unremitting irony, depends on a sense of worldly limitation; it is no accident that it should be associated particularly with gentlewomen, educated but not expected to make their living, equipped with independence of judgment without a corresponding freedom of action. But the conventions of the nineteenth-century have slackened their grip on London by the 1960s. The possible unsuitability of Janthe's attachment, in a world without autocratic fathers and rigid taboos, is never convincing.

Elsewhere in the book, Miss Pym keeps her method up to date by including an anthropologist among her churchgoers. Anthropology, in which being assistant editor of the magazine *Africa* she was well-versed, gives her another set of standards by which to judge human behaviour, and another

model for her own activity as a novelist. Anthropology, though, is never allowed to run riot through St Basil's, to transform every churchwarden into a witch-doctor and every teapot into a fetish. It is still Miss Pym's way with a sentence, and the tiny strictures and indulgences she can introduce into an apparently neutral description, which make the whole enterprise pleasurable and rewarding.

Mervyn Jones' *Two Women and Their Man* is sheer melodrama by modern standards, handled with plenty of intelligence. The plot concerns a triangular love-affair, ending in murder, set in the rural Wales of the late 1930s, with the ironical flip that the wife and mistress in the case, unsuspected by their man, tell each other everything.

The story is kept from tordriness—and, from cliché—by being told with hindsight by all three major characters; it is a strange mixture nonetheless. The place is remote and isolated, but the period is a critical one for modern history; the hero is the only man in the district to realise the imminence of war, and to prepare for it, however futilely.

Place and time are well evoked, and the rotating viewpoints force the reader constantly to revise his assumptions, but the relationship between foreground and background never becomes clear. There is some attempt at psychological depth, but much

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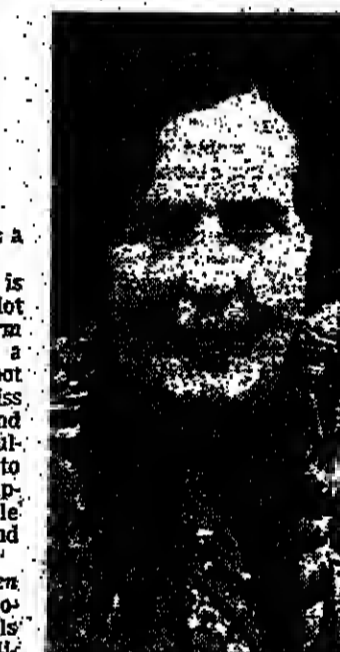
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Barbara Pym: posthumous comeback

In the way of premonitions, intuitions and "intimations" is left stark and unexplained. The expectations aroused by the stories in Harold Acton's *The Soul's Gymnasium* are more being told with hindsight by all three major characters; it is a strange mixture nonetheless. The place is remote and isolated, but the period is a critical one for modern history; the hero is the only man in the district to realise the imminence of war, and to prepare for it, however futilely.

In short—Chekhov to Kinsey

Lectures on Russian Literature by V. Nabokov, Weidenfeld and Nicolson, £16.50, 416 pages

For nearly 20 years, before he struck it rich with *Invitation to a Beheading* (1938), Vladimir Nabokov taught Russian literature at American colleges. This selection contains the lectures he delivered on six Russian writers: Chekhov, Dostoevsky, Tolstoy, Gorki, Tolstoy and Turgenyev. Basically, the all-time greats of Russian literature, minus Pushkin. In addition, this new book contains three Nabokov essays on the general themes of censorship, philistinism, and translating.

Two things make this book special. The first is Nabokov's deep emotional involvement with his subjects who represent, for him, the last authentic voices of Russia before Bolshevism brought the shutters down on free creativity. Tolstoy, in particular, clearly plunged him into waves of nostalgia for a homeland which Nabokov left in 1917. But Nabokov retained throughout the writer's instinct of what makes other writers tick.

The second treat for the students of Wellesley, Stanford, Cornell, and now a wider audience, is Nabokov's rare and idiosyncrasy in presenting the great 19th century writers. Not content with reading out chunks

in the original Russian (to give the proper cadence), Nabokov also drew on his own knowledge to flesh out details in the various books. He provided drawings of Russian tennis-dress and skating costumes similar to those mentioned in *Invitation to a Beheading*, and also a plan for the sleeping car in which Anna rode from Moscow to St Petersburg. These are reproduced in this book.

DAVID LASCELLES

The Limits of Sex by Celia Haddon, Michael Joseph, £7.95, 202 pages

Testing myth against reality is the grand old story of human beings trying to grow up; an absorbing, worrying business; most worrying to the self-absorbed. Celia Haddon's acuity of "sexual orthodoxy" in

our time is a confessional tract upon "how grossly we have come to over-value sexual activity." She has been working her head off for years.

Stern examination, against her personal experience, of the century's most influential "sexologists"—Havelock Ellis, Kinsey, Masters and Johnson—does credit to a determination to disclose to us her discovery that "sex does not equal happiness; a truth less startling to some, perhaps, than to others."

GAY PERM

High Ambition: A Biography of Reinhold Messner by Ronald Faux, Gollancz, £9.95, 180 pages

In 1980, at the age of 36, Reinhold Messner, climbed Mount Everest, by himself, and

without the aid of an "artificial" oxygen supply. This alone would assure his place in the mountaineering pantheon. But it was merely the latest achievement in a career of spectacular ascents.

The rewards have allowed him to enjoy the kind of life-style usually associated with international tennis stars. And Messner is clearly an impressive man, but one would wish to know more about his motivation, especially in solo climbing, and about his failures, than Mr Faux tells us. Messner's critics are briefly dismissed, and about some of the text there is a hint of hagiography. But the climbing passages are excellent, written in a taut prose that repeats both the dangers and the attractions of the most challenging of sports.

FRANK IGANE

Antony Melville-Ross TRIGGER I stayed up till 2am to finish Trigger and I will do the same to watch the film on the television. £7.50 0002219697

J.P. Collins

# HOW TO SPEND IT

by Lucia van der Post

What is the man in the City street wearing? Two young men tell us how they tackle the problem of suiting themselves...



David Freud wearing a self-striped grey worsted double-breasted suit, shirt and tie from Paul Smith.

DAVID FREUD is a merchant banker who is a director of Sheldon Freud, the Project Finance subsidiary of Noble Grossart. Though he is a banker and doesn't feel he should look too way out, he nonetheless felt the need for a look that is slightly more relaxed, more modern than the very traditional "banker" look.

Through a friend he discovered one of our brightest young menswear designers, Paul Smith (Paul Smith has his own shops of 44 Floral Street, London, WC2 and 10 Byard Lane, Nottingham and his clothes are sold through other outlets including Otter in Oxford and Warehouse in Glasgow).

Before he discovered Paul Smith, David Freud had had his suits made by one of Doug Hingwood's cutters and though they were very good indeed they were more traditional in approach. What David Freud likes about Paul Smith's clothes is that they are infinitely more comfortable to wear, have a softer, easier feel and appearance than the usual Savile Row suit. Yet Paul Smith never goes too far, never provides the sort of clothes that make people stand out.

David Freud thinks that subliminally they remind him of his prep school clothes. He particularly likes the cut of the trousers—they are pleated at the top in a way which is entirely original. It not only makes the trousers look and feel much easier but it means you can put your hands in your pockets whether sitting or standing without disturbing the line of the trousers.

He finds that in a Paul Smith suit he doesn't feel nearly so stuffy or so strait-laced as in the conventional suit. "I used to go home and immediately put on my jeans—now I feel so comfortable that I very often don't bother to change."

He is also fond of Paul Smith's shirts and ties—here again he feels Paul Smith has been particularly clever in the way he cuts the collars on his button-up shirts, instead of sprawling sideways they lie flat. All Paul Smith's suits are off-the-peg and prices range between £159-£185.



Mark Littlejohn wearing a navy-blue pinstriped wool suit by Cassidy bought for about £100 from Village Gate. His navy-blue and red silk tie cost 10p from Oxfam.

MARK LITTLEJOHN is a young insurance salesman, unmarried and, by his own admission, comfortably off. He now has about five suits in his wardrobe but thinks he got off to a lucky start by working abroad as an engineer for a year where he needed nothing more than jeans and shorts. By the time he came back to this country and needed to look smart for interviews he had enough money in the bank to go and buy himself a plain medium grey suit which he found at Morris in Oxford Street. He paid £70 for it and it reflected that safe, anonymous quality that men find so reassuring—it was a reasonably sober smart suit of reasonable quality of a reasonable price.

He takes quite an interest in his clothes and says he can tell a custom-made suit instantly. He thinks he will probably graduate to buying custom-made suits eventually but for the moment prefers to spend his money in other ways.

However, he takes the matter of choosing a ready-to-wear suit fairly seriously. After all, as he puts it, "a good suit is a necessity in my job. I have to look respectable and I find plain, dark, sober suits, nothing too trendy, work best." He usually has a sum of money in mind (say £100) and he looks quite systematically at what is the best value at that price. He judges on the spot by looking at fabric, cut, finish, stitching. He never looks for names.

He thinks that if money were no object he would probably go to Harrods ("that would make it all so easy"). As it is his suits come from a wide range of different shops—from Marks, from Village Gate and, the latest, a double-breasted grey flannel suit that cost £105, from Reiss of Holborn.

I SUPPOSE the best definition of chic that I ever came across was Karen Blixen's description of a Masai warrior. Those young men," she wrote, "have to the utmost extent, that particular form of intelligence which we call chic—daring, and wildly fantastical as they seem, they are still unswervingly true to their own nature, and to an imminent end. Their style is not an assumed manner, nor an imitation of a foreign perfection; it has grown from the inside, and is an expression of the race and its history, and their weapons and finery are as much part of their being as are a stag's antlers."

So, too, the Englishman and his suit. At its best, the Englishman and his suit are still an international byword for the kind of chic that is the unforced result of this intimate connection between the race, history and life-style. Still today as distinguished a designer as the Italian Nino Cerruti can say that only an Englishman can wear a suit with such dignity and honour. "Only an Englishman," he said at lunch this week, "can wear a green shirt and a red tie and still look distinguished."

Today it costs anything from £400 to £800 for a bespoke suit from a West End tailor and there are only some 200 left to whom you could go. In the halcyon days of Savile Row, at the height of the bespoke tailoring era around the turn of the century, when the young blood about town would think nothing of ordering his suits by the dozen, there were some 3,000 bespoke establishments.

If you're in the bespoke tailor income bracket your headaches are few. If you believe in the simple life you could head for Harrods where you can move easily from bespoke to ready-to-wear, mixing and matching, picking and choosing, at will. Or, you could go to one of the old-established, blue chip names like H. Huntsman and Sons, and Brooks or Hawes and Curtis (patronised by Prince Phillip).

If it is a more modern, more leisure look you're after, an effortless combination of high quality, style and something a little less traditional, then you could choose between the likes of Douglas Hayward (currently dressing three men on the best-dressed list—Lord Lichfield, Roger Moore and Dickie Davis—as well as Michael Parkinson), Tommy Nutter (now found, giving a fashionable flip to the traditional tailoring skills of Kilgour, French and Stambury, which dresses such luminaries as Morecambe and Wise, Elton John, Robert Mitchum, Adnan Kasboggi, or Blades).

However, the statistical evidence is clear—the bespoke suit today is a luxury for the few. More and more men, for reasons of price and also of convenience (after all, it normally takes 6 to 8 weeks to get a bespoke suit made and it involves a whole series of fittings that many a modern man can't be bothered with), are turning to the off-the-peg suit or the middle-way, the bespoke suit from the multiple tailors like Hepworths and Burtons.

These often offer amazing value (for instance, at Hepworths you can get a suit made to fit you for as little as £65) but I think you need an unusually good eye and taste to emerge looking good. In general what happens is that you go into the department to be faced with



Then, it is generally agreed, come the international designers like Nino Cerruti and Yves St Laurent. These are the names that offer an effortless international style but they don't come cheap and you'll probably have to spend well over £200.

If you can't afford that sort of price what do you do? Well, you shop around at your local ready-to-wear stores (Marks and Spencer, if you're the right shape, Austin Reed, Hepworths or the smaller boutiques) and then, if you are the kind of man who wants to look sober, well-suited, entirely inconspicuous, in other words like an Englishman in his natural habitat, then I offer you the dictates of that master of style, Hardy Amies. He has been designing menswear for 20 years.

"A suit must never look as if it happened," is rule number one. The 70s suit, with its waisted and flared jackets has given way to a much straighter, more blazer-like cut, very lightly indented at the waist, with a low button fastening. It can be single or double-breasted. Two vents are out—they were there to show off the flare which is no longer there. One vent is OK in a single-breasted jacket but in a double-breasted there should be no vents at all. Shoulders should be non-aggressively padded—but a little padding is a must. If you're in any doubt about the fabric choose dark grey flannel.

"Whilst suits have become very plain (they must be to do their job, which is, in effect, to establish status) there is a big emphasis on accessories—choose white button-down collars on shirts in ice-cream colours."

Lapels are neither narrow nor wide—3½ ins at the widest part is about right.

What should the portly gentleman do? "Go to a gym and never wear tight clothes."

His parting piece of advice is a quote from the life of Beau Brummel—"Do not be flattered if anybody turns round and looks at you in the street—it means your clothes are too bright, too new and too fashionable."

Nino Cerruti is an Italian designer, working in Paris, who has developed an elegant and desirable line in what might be termed "international" suits. It would be hard to put a nationality to them and Cerruti himself is quite sure that it is an international clientele that he is aiming at. "After all, any man who needs to spend money on his clothes must be moving in an international milieu. I aim," he says, "to make comfortable, easy clothes—more relaxed than the traditional Italian suit, more sexy than the traditional British suit."

Women have also been known to benefit from his tailoring skills (something like five London fashion editors currently own one of his impeccable navy blue blazers). The grey flannel suit with the fine yellow stripe, photographed far left, is typical of his impeccable style—prices range from £150 to £300 and they can be found at Match Club, 61 Knightsbridge, London SW1 and Simpson, Jermyn Street, London W1.

The man is wearing a classic six-buttoned double-breasted grey worsted suit from the Cerruti 1881 collection which is £265 and is exclusive to Browns of South Molton Street, London W1. Nino Cerruti suits can be found at Austin Reed's Cue Shop, Simpson Jermyn Street, Harvey Nichols, Marcus Pree of Newcastle and Cartwrights of Bolton.



This is the style that has made Hardy Amies suits so beloved in America. A classic single-breasted grey flannel suit, it is part of the Belgravia collection made specifically for the American market, but very similar styles, at about £100, are available through Hepworths

## Same again, please

IF YOU have the kind of tastes that lead you to appreciate custom-made suits but are given to blanching at Savile Row prices, then Redmayne is a company that may offer just the service for you.

Of very distinguished lineage, established in 1868, Redmayne is nowadays to be found at The Old Mill, Warwick Bridge, Carlisle, Cumbria. Appointed tailors to Her Majesty the Queen in 1963 and now patronised by cabinet ministers, knights, peers of the realm, bishops and the canny man-in-the-street who has beard of the company, Redmayne offers to copy line-for-line, in any fabric of your choice, any suit that you care to send in.

If you have, for instance, a fine Savile Row hand-tailored suit (left over from palmer days) but can no longer afford to buy more of its kind, then if you dispatch it to Redmayne, you will be able to buy as many identical copies as you like or can afford at a price that is roughly half that of a West End tailor.

Redmayne has some 21 highly skilled cutters and the only difference between the service it offers and that given by the bespoke tailor is that Redmayne requires no fittings—so practised are its workforces at line-for-line copies that if the original fits, so will the duplicate. All the work is carried out on the premises, all the traditional hand-tailoring methods are used.

However, it may be, that you'd like a slightly more up-to-date version of the same suit—details like width of lapels or trousers, after all, change with the times—Redmayne will take care of that, too.

A prospective customer should first write to Redmayne asking for details of the service. Descriptions of this, of the cloths and a pre-paid postcard are despatched. Samples of the fabric requested on the postcard are then sent out. Cloths are, needless to say, available to cope with almost any garment, from a fine city suit to a comfortable shooting jacket.

The service normally takes between six to eight weeks (though the original garment is returned as soon as it has been copied). It is difficult to give precise examples of cost as this obviously depends enormously on the cloth chosen.

However, to give would-be customers some idea of cost—the making-up alone of a pair of trousers is £37.50, a jacket £107.50, a two-piece suit, £145.25 and an overcoat £125.50. An estimated price for an average two-piece suit



A Redmayne version of a shooting suit but anything from a smart city suit to a hacking jacket can be copied.

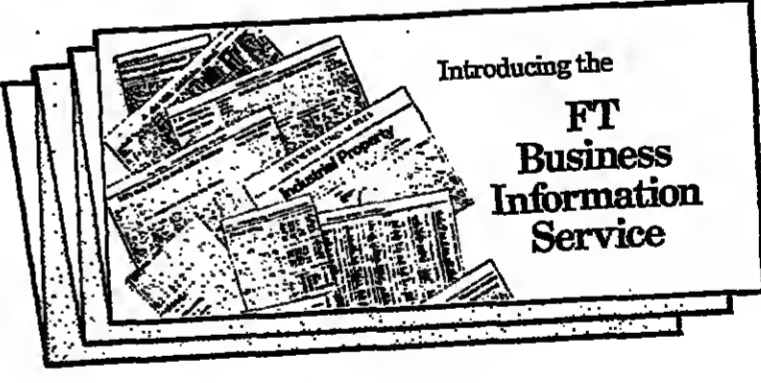
to fit an average man, in a plain chalk stripe 100 per cent wool cloth, would be about £192.

There are all sorts of optional extras available—things like hand-stitched edges, leather elbow patches and the like.

For those who can't get those sort of sums in one go Redmayne offers various schemes from suit leasing (all carefully spelt out in one of Redmayne's leaflets, down to details like the tax value of the "benefit in kind.") Redmayne quotes a typical case where the cost of the garment might be £185, service charge £18.50 and the total cost would therefore come to £203.50. Redmayne points out that the rate of interest it charges is less than that charged by credit cards and that VAT is reclaimable for registered traders and reduces the cash cost to £176.96.

Once your measurements are on file (and providing they don't change) there is no need to send a suit for further orders. Redmayne aficionados will be delighted to learn that coming up in the future is a bespoke shirt business. Watch this page.

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ARTS

The Essex witches

BY B. A. YOUNG

Ursula Kemp was charged with witchcraft in February 1582, at St. Oystin in Essex...

Mother Kemp was accused of bewitching her neighbour's children. One she cured of a sickness; the other she killed when she was not allowed to nurse it...

What is so alarming is that he got what he wanted so easily. Once suspicion was aroused, other people added their own charges...

This involved denouncing seven other women within a week. By the end of five weeks, Darcy had eleven witches ready for the Assizes...

The tale was sharply told, with Noel Johnson as narrator and five players for the witches and their accusers...

Poet, parson, satirist, King's Orator though he was, I knew little about John Skelton before Thursday's play by John Arden...

Magnificence a few years back. Otherwise he was just a name. John Arden — nice to hear from him again, even without his collaborating wife...

There was a good programme on Radio 3 on Tuesday about Eric Gill. Gill was not only a great draughtsman and sculptor and a classic typographer...

Francis Watson assembled some powerful voices to approve of Gill on his programme, aptly called To Hell with Culture...

Capital Radio proudly announces its new programme schedule. A smattering of disc-jockeys, including a 19-year-old newcomer...

The Classical Collection remains on Sunday evening, but the sample week's schedule I have before me contains no drama or features...



Meredith Frampton with his self portrait, painted in 1923

Frampton at the Tate

BY WILLIAM PACKER

The orthodoxes and conventionalists of art history and criticism, though naturally they come under constant review of sorts, are hard to modify or deflect...

Meredith Frampton, who is being given a small but admirably judged retrospective at the Tate (until March 28: then to the Ferens, Hull, until May 16), clearly has been overlooked too long...

Now 87, he gave up painting for good in 1945, having achieved by then a wide reputation as a portrait painter of peculiar distinction and fidelity...

The abandonment and retreat were personal; but having said that, one must go on to say that

even had he continued, it is doubtful that he would have won any further critical reward. For portrait painting was surely Third Division stuff for him, and his association with the Academy, with Munnings about to rally the troops against the golden horde of Picasso and Matisse...

Brought into the light once more in the mid-1970s for an excellent small display of English work in a single year, 1985, the interest and pleasure one felt in seeing it were considerably enhanced by sheer surprise at its being there at all...

The times have indeed changed, and these last few years seen a number of fascinating and positively healthy critical developments and reappraisals, questioning for example the assumed primacy of Paris, or later on of New York...

The atmosphere is highly charged, feverish, metaphysical, and every gesture of the figure, every attribute and accessory fraught with imaginative possibility...

As much, however, might be thought merely a function of an excessively finished technique, quality of over-working and insistence; but the lies given by the preparatory portrait studies elicited from the artist at the last minute for inclusion in the show...

The mature paintings are sharp, clear and uncompromising, their subjects isolated and defined by the strong, assertive light. The reality thus offered us is nothing if not credible, scrupulously exact, but it is a reality heightened by the very intensity of its own realisation...

The atmosphere is highly charged, feverish, metaphysical, and every gesture of the figure, every attribute and accessory fraught with imaginative possibility, with potential meaning and symbolism; though what is precisely never stated: the matches on the desk's edge, the grasses beside the playing cards, the tin of weed-killer.

Black Theatre Cooperative are back at the Riverside Studios, this time with three skilful one-act pieces by Montserrat-born writer Edgar White...

No small aspect of the play's interest lies in its contrast to the two preceding exercises in righteousness. In Man and Soul, a West Indian meets a stiff-necked Nigerian Muslim in a detention cell during the Notting Hill Carnival...

Wallace is a refugee from the tedium and claustrophobia of middle-class Trinidad. In the privacy of a rented room in Shepherd's Bush he enjoys the quiet peace of failure, dreaming of cricket, having all but forgotten his wife and two children at home...

The director is Charlie Hanson, who should speed up the proceedings, particularly as small-scale works are so easily lost on the fine, wide, and shamefully under-used, Riverside stage.

Trinity

BY ROSALIND CARNE

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F.T. CROSSWORD PUZZLE No. 4,809

A prize of £10 will be given to each of the senders of the first three correct solutions... Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope...

Name: \_\_\_\_\_ Address: \_\_\_\_\_

TV/Radio schedule for BBC 1, including programmes like 'Open University', 'Swap Shop', and 'The Soldier's Tale'.

TV/Radio schedule for BBC 2, including programmes like 'Open University', 'The Tamarind Seed', and 'The State Express Challenge Cup'.

TV/Radio schedule for BBC 3, including programmes like 'Open University', 'The Tamarind Seed', and 'The State Express Challenge Cup'.

LONDON

9.00 am Sesame Street, 10.00 Sport Billy, 5.15 pm Mr Marlin, 12.20 am At the End of the Day.

REGIONAL VARIATIONS:

Cymru/Wales - 5.45-5.50 pm Sports News Wales. Scotland - 5.45-5.50 pm Mag Is Mog. 5.45-5.50 pm Scoreboard. 9.45-10.45 Sports Scene. 12.35 am News and Weather for Scotland.

ANGLIA

9.00 am Sesame Street, 10.00 Sport Billy, 5.15 pm Mr Marlin, 12.20 am At the End of the Day.

BORDER

9.00 am Sesame Street, 10.00 Sport Billy, 5.15 pm Mr Marlin, 12.20 am At the End of the Day.

CENTRAL

9.00 am Sesame Street, 10.00 Sport Billy, 5.15 pm Mr Marlin, 12.20 am At the End of the Day.

CHANNEL

9.00 am Sesame Street, 10.00 Sport Billy, 5.15 pm Mr Marlin, 12.20 am At the End of the Day.

GRANADA

9.00 am Sesame Street, 10.00 Sport Billy, 5.15 pm Mr Marlin, 12.20 am At the End of the Day.

HTV

9.00 am Sesame Street, 10.00 Sport Billy, 5.15 pm Mr Marlin, 12.20 am At the End of the Day.

SCOTTISH

9.00 am Sesame Street, 10.00 Sport Billy, 5.15 pm Mr Marlin, 12.20 am At the End of the Day.

TSW

9.00 am Sesame Street, 10.00 Sport Billy, 5.15 pm Mr Marlin, 12.20 am At the End of the Day.

TVS

9.00 am Sesame Street, 10.00 Sport Billy, 5.15 pm Mr Marlin, 12.20 am At the End of the Day.

TYNE TEES

9.00 am Sesame Street, 10.00 Sport Billy, 5.15 pm Mr Marlin, 12.20 am At the End of the Day.

ULSTER

9.00 am Sesame Street, 10.00 Sport Billy, 5.15 pm Mr Marlin, 12.20 am At the End of the Day.

YORKSHIRE

9.00 am Sesame Street, 10.00 Sport Billy, 5.15 pm Mr Marlin, 12.20 am At the End of the Day.

RADIO 1

9.00 am Sesame Street, 10.00 Sport Billy, 5.15 pm Mr Marlin, 12.20 am At the End of the Day.

THEATRES

Extensive list of theatre listings including venues like Apollo, Lyric, and various plays and performances.

Refinery Zigzag crossword puzzle grid.

Chess solutions for various problems.

Radio 3 schedule and other radio-related information.



Saturday February 27 1982

# Floating the dollar

THE NEWS this week that a group of Manchester scientists have invented a process to make perfectly good crude oil out of household rubbish could hardly have been more aptly timed. The liquid gold of a few years ago has been looking pretty rubbishy itself in recent weeks, and the Government has suddenly started worrying about falling oil revenues. In a sort of inversion of the old saying about ill winds, a fair wind is suddenly making Whitehall feel chilly, and Ministers have been working overtime to make sure that nobody expects much of the Budget in 10 days from now. And when Whitehall feels a chill, the gilt market sneezes. The great bull market which seemed to have started only a week ago fizzled out tamedly after the Prime Minister spoke.

## Energy-saving measures

Where is this wind blowing? Acres of print have been spent on analysing the oil market itself—the de-stocking which is being carried in lengths which alarm the International Energy Agency, the loss-making war between the petrol refiners, Iran's feverish search for customers, and the growing impact of energy-saving measures. It takes time to react to a price shock in a basic commodity, but as a central banker wisely observed at the end of last year, big oil price rises, long-term price elasticities are nearly always much higher than seems likely. We were ready the second time.

However, we must look for explanations outside the oil market if we are to explain why the gold price should fall from low to low, or the tin price should collapse despite an apparent conspiracy to rig the market, while interest rates are falling all over the world. Part of the explanation lies in another widely-discussed conspiracy—only this time it is a conspiracy not to rig the market. It begins to look fairly certain that the European effort to lower interest rates a few weeks ago amounted to a decision to float the U.S. dollar, and let it drift up.

## Commodity prices

Much of the historic European concern with American fiscal and monetary policy has been based on a belief, founded on past experience, that a rise in the dollar tended to raise commodity prices and so export inflation to other countries. In order to prevent this, the members of the European monetary system have both raised domestic interest rates and

intervened in the currency markets in order to check the rise of the dollar against their currencies. However, since the European drive to reduce interest rates began, the argument seems to have cooled, and for good reason. Commodity prices have not risen with the dollar, and U.S. interest rates have themselves begun to ease.

## American rules

What the Europeans appear to have done, in effect, is to decide to play the game according to American rules. Just as Britain decided in October 1977 to stop adding to the reserves and let sterling rise, in order to check inflation and control the domestic money supply, so the Americans declared their own reluctance to intervene early in the Reagan administration. However, the Americans, unlike ourselves, cannot decide these matters unilaterally. They may refuse to sell dollars internationally, but they cannot prevent other central banks selling dollar and dollar securities. This foreign intervention, just like U.S. intervention, may help to stabilise exchange rates, but it does make it harder to control the money supply, and tends to drive up interest rates. It is the Europeans who may now have floated the dollar in good earnest.

This helps to explain the good news on the interest rate front. The Americans no longer have to finance a repayment of international debt on top of their yawning Federal deficit (for intervention to hold the dollar down amounts to a cashing of IOUs). The Europeans can set rates to fit their domestic objectives; and the realignment within the EMS, if it does not arouse suspicions of other currencies, should help too.

## Monetary stringency

However, although interest rates are easing, they are still historically very high in real terms, and it is this which is depressing the gold price, commodity prices and indeed the prices of a whole range of non-money assets, from diamonds to houses, all over the world. Monetary stringency only began in earnest on a world scale in October 1979, when the Americans put real constraints on domestic money creation, instead of leaving foreign central banks to mop up the surplus (the recent story in reverse). The impact on inflation is now being seen, worldwide.

## Letters to the Editor

### Energy

From Mr P. Dacey  
 Sir—I am one of the many millions of people of this country who is amazed at the massive increases in price for electricity and gas. North Sea gas was the great find that would give this country very cheap fuel, now money and more money is to be found to pay for it. These increases must stop now. Two and a half per cent reduction of the present prices of electricity, gas, water and rates and this country would start to recover. The public must protest against these rises as soon as possible.  
 P. Dacey,  
 9 Glen View Road,  
 Bingley, West Yorkshire.

### Rostering

From Dr T. Gough  
 Sir—As British Rail and ASLEF return for the umpteenth time to negotiate over flexible rostering, and doubtless plunge into the same sterile arguments, it is perhaps time for a fresh approach. British Rail could offer every ASLEF driver (and NUR driver and guard for that matter) the choice of either sticking with the present eight-hour shift or moving on to the flexible shift system. To those who stick with the present arrangements, the current hourly rates would be maintained (including the 3 per cent just paid). To those who opt for the flexible rosters an increased basic and overtime rate would be paid to compensate for unsocial hours. The differential between the two roster systems would be adjusted so that British Rail voluntarily secured enough drivers on to the new system to allow productivity to improve significantly. What would be the result? ASLEF could claim that it had not abandoned the eight-hour shift in that any of its members could still stay with it. British Rail could claim that the principle of flexible rostering was being introduced by the volun-

tary co-operation of its staff and would gradually give rise to greater efficiency. Industrial peace on a long-term basis might be restored as each worker had the right to choose which system to work — that is, neither British Rail nor ASLEF dictated on the issue. (Dr T. J. Gough, Lecturer in Economics, Dept. of Applied Economics, University of Wales Institute of Science and Technology, Friary Building, 22, The Friary, Cardiff.)

### Weekends

From Mr G. Campbell  
 Sir—Arthur Sandles' article (February 19) on "The obsolete weekend" is arithmetically impeccable, but totally lacking in commonsense. If one of his two friends works from 7.00 am to 2.00 pm Tuesdays to Saturdays and the other from 2.00 pm to 9.00 pm Thursdays to Mondays, then indeed, deducting time for sleep but none for travel to and from work, they will have 42 hours free for shared activities. They may well be able to play golf together or, with more difficulty, go to the theatre. But if they want to go to the seaside or for a country walk the best they can hope for is a half day before (or after) one of them does a full day's work. A couple of days in Snowdonia or on the Solent are clearly out of the question. And it is much to be hoped that neither of them has school-age children, or wishes to get together a cricket team. The problems of anti-social working hours are not so easily conjured out of existence. G. G. Campbell,  
 3, Clorley Avenue,  
 Warrington, Surrey.

### Education

From Professors G. W. Jones and J. D. Stewart  
 Sir—We were very disturbed to see the report (February 15) that Neil Kinnock, the education spokesman for the Labour

Party, had set out proposals to remove control of education expenditure from local authorities. In effect they remove control of most local government expenditure from local government.

This proposal should be immediately repudiated by the Labour Party leadership, for it undermines completely the current challenge by Labour spokesmen to the Government's attacks on the right of local authorities to determine their own levels of expenditure.

Many in local government have feared that the Conservative Government's search for greater powers to control alleged overspending would be followed by a future Labour Government's attempts to control alleged underspending. That has up to now been denied by the Labour Party, but Neil Kinnock's proposals, unless repudiated, mean just that and would constitute the most direct attack yet launched by any British central government on local government. (Professor G. W. Jones, London School of Economics and Political Science, Institute of Local Government Studies, University of Birmingham, c/o LSE, Houghton Street, Aldwych, WC2.)

From Mr L. Cleminson  
 Sir—Your two correspondents on February 23 both rightly draw attention to the prime cause of most of the current criticism of company pension schemes, Mr Arthur expresses this most clearly. Inflation is the evil, it is Government induced, and the effects made even more inequitable by the successive governments trying "protect" some classes of people from the effects of its own errors. Mr Smallbone hints at this cause in his example, but still implies that the popular complaint today (real as it is) is

the hard effect on early leavers, is the employer's "fault". Obviously, the differences between leavers and long service employees could be lessened by a change in the rules of the scheme, but any increase for the early leavers would need to be paid for by either a reduction in the level of benefits for the stayer or additional contributions. It is wrong to imply "that the employer gains from early leavers." He does not, the existing benefit structure was based on a level of sustainable cost to the employer, and this is being met. This means that any increase in one benefit must be offset elsewhere. This is a concept difficult to sell to the stayer whose pension entitlements would be the sufferer! The answer is, as Mr Arthur says, to curtail inflation, but this is not to say that meantime employers should not make whatever endeavour they can to lessen its effects on their past employees' "deferred pay". L. P. Cleminson,  
 Mayfield,  
 St Leonards,  
 Tring, Herts.

From the National Secretary, United Commercial Travellers' Association Section, Association of Scientific, Technical and Managerial Staffs  
 Sir—I read the article (February 20) about "fringe benefits". There is one aspect of the company car issue that causes us the gravest concern. Our sales representative members are not higher paid employees within the context of the article. Professional sales people are provided with a company car as the "tool of their trade" in order to earn profit for their employers and salary and commission for themselves. In this sense they are in no way different in their relationship with the company car than the engineer with his lathe on the shop floor. I doubt if anyone would argue that the engineer's lathe is a perk.

By implication, our members' valid arguments against their being liable to this tax are diluted by becoming wrongly associated with any argument about fringe benefits for directors and executives. Liability to the tax even includes expenses in the calculation despite the fact that these are incurred entirely by the direction of their employers, which means that one sales representative can end up paying the tax while a colleague on another territory with lower expenses does not. This tax should never have been applied to sales representatives and our battle on this issue with the Inland Revenue and HM Treasury continues. Our members' private use of a company car is extremely limited. Their cars do not rest in the "executive car park" most of the time, and after sitting in them for 30,000 miles a year on business my members are not interested in Sunday afternoon joy-riding. R. Tomlinson,  
 ASTMS,  
 Benton Lane,  
 Knutsford,  
 Cheshire.

From the Greater London Council Member for Haringey, Tottenham.  
 Sir—Robin Faulley tells only half the story of 1981/82 rates in his report of February 22. He gives an example of Avon and Surrey which appears to show a reasonably equitable distribution of grant at the most probable level of expenditure, grant related expenditure assessment + 50 per cent. Avon and Surrey ratepayers, domestic and non-domestic, would pay roughly the same amount per head of population (£459 and £424 respectively), and Avon's grant is the higher, presumably in recognition of economic and social problems reflected in Avon's lower rate base.

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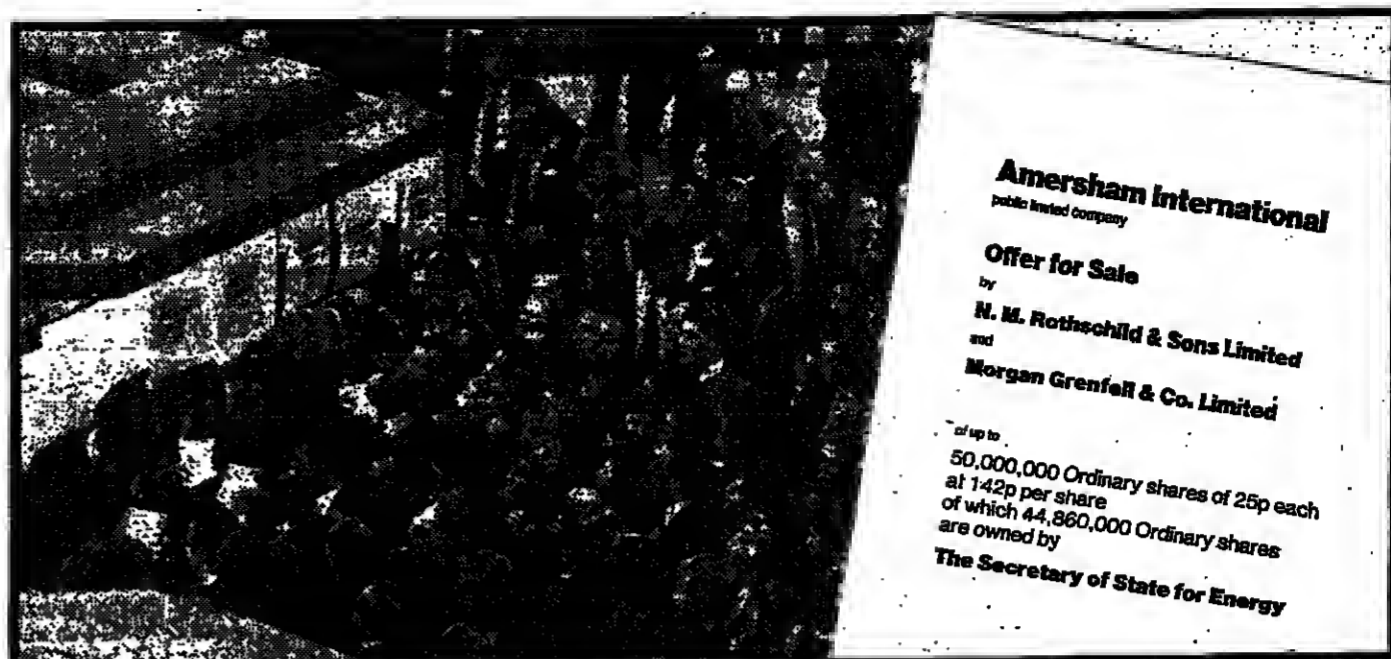
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## AMERSHAM INTERNATIONAL

# An issue that shook the market

By Richard Lambert, Financial Editor



THIS was Amersham International week on the Stock Exchange—and the reverberations of this spectacular new issue have been felt well beyond the City boundaries. Political and financial reputations have been put on the line, and the sound of gunfire has been building to a crescendo.

What caused the fuss was that Amersham was offered for sale to the public at 142p a share—and started trading on the Stock Exchange this Thursday at 190p. Fine, but for the fact that the seller was the Government.

Members of the Opposition, and some Government Ministers found something unseemly about the ensuing scrum on the Stock Exchange floor, and about the fact that short term traders had been banded a paper profit of over £20m at the expense of the taxpayer. Behind the scenes, potential scapegoats made for cover. Morgan Grenfell, the bank acting for Amersham, let it be known that it would have liked the issue to have been handled in a different way, and similar noises were coming from the Treasury. N. M. Rothschild, which advised the Government, found itself in an unfamiliar position at the centre of a media event.

Was it all a blunder? The difficulty with Amersham, so far as the bankers were concerned, is that there are no other quoted companies quite like it in the world. It makes radioactive materials for use in medical and industrial products, as well as research. When it came to setting a selling price, there were no convenient yardsticks to hand. One possibility would have been to sell the whole thing to a single buyer, like a big multinational involved in the chemical or pharmaceutical industry. Fifty million shares were

offered for sale and there were 65,000 successful applications. The exact number of shareholders is unknown. Initially the issue was very widely spread, but already a substantial number of shares must have found their way into the hands of large institutions. But the trouble with an offer for sale is that you have to fix the terms before you know whether the public is going to be interested. The Amersham issue was pitched at a very high price relative to the general run of share prices, and the initial reaction in the financial press was not wildly enthusiastic. What the bankers badly underestimated, though, was the current rage in the stock market for anything with a technological tag. Stockbrokers who would not know a radioisotope if one landed on their

nose started to talk knowledgeably about Amersham's glittering prospects. Ambitious profit forecasts began to appear for the year to March, 1983, and the selling price was measured against those numbers as opposed to the company's own forecast for the year ending next month. The Amersham bandwagon began to roll. And the enthusiasm fed upon itself, for once it became clear that the issue was going to go well, speculators had nothing to lose by filling in as many application forms for the shares as they liked. Indeed, the more money they put up, the better chance they had of getting their hands on some shares in the likely event of a ballot. Some went to extreme lengths. Around 25,000 counter-foil forms were printed, recognisable by a smudged dot and

a pinhole in the top corner. On the day the applications went in, the Bank of England had to take special steps to smooth the disruption in the money market caused by the huge transfer of funds from the private sector to the Government. In the end, the offer of 571m worth of shares pulled in applications worth £11bn. It must all have looked a little odd from the viewpoint of Amersham's head office in Buckinghamshire. In reality, the numbers are not quite as stark as they seem. It is very unlikely that an offer for sale by tender would have pulled in anything like 190p per share, unless it had been confined to a handful of large buyers. Moreover the flood of money at least brought some consolation for the Exchequer, which

gained interest on money temporarily held before being repaid to luckless applicants. This is said to have raised the effective proceeds to more like 150p per share. Finally, even in the smoothest offer for sale, bankers normally expect to give something away in order to attract investors. They usually reckon to have done their job well if trading opens somewhere between 5 and 10 per cent above the offer for sale price. In other words, taxpayers should not feel quite so hard done by as headlines of the "20m issue horror" might suggest. All the same, Amersham has not exactly been a great advertisement for the City's new issue market, and it has left a lot of red faces in its trail. The interesting question concerns the likely repercussions on another, much bigger, issue which is moving into the pipeline: the Government's sale of part of its shares in British Oil Corporation—to the public, which is currently expected to take place in the late autumn and could raise something like £500m. Even the keenest supporters of the tender method quail at the thought of an offer on such a scale being undertaken in this way. A deliberate measure of underpricing may well be necessary to pull in investment funds of this magnitude. It would be a terrible irony if as a reaction to Amersham, the Government insisted on a tender offer for British Oil—and then had a flop on its hands. Maybe it is time for some innovation—perhaps a split offer, partly in the form of a standard offer for sale to the public at large, and partly by tender to the large institutions.

# Fierce competition in a crowded field

By David Fishlock, Science Editor

PROFESSOR Richard Gregory, one of the world's authorities on the brain, startled a scientific conference the other day with some vivid computer pictures of the brain at work. They showed how blood rushed from one lobe to another as the brain changed from rest into high gear. The spectacular part of the technology involved was, of course, the computer which had drawn such lifelike pictures of a living brain at work in real time, with the blood flow painted red. A hidden but indispensable ingredient was the radio-active chemical dissolved in the blood, but illuminating its flow for the computer which can sense the radio-activity. That is also the story of Amersham International, a company which has been supplying man-made radio-activity obtained from nuclear reactors or atom-smashers for four decades, as an indispensable yet

inconspicuous service. Its skills lie in handling radio-activity safely, and in wrapping it up into extremely convenient packages for sale to carefully selected markets. From Amersham, the market town in Buckinghamshire, where it began life in a country house in 1940, the company has built up a reputation worldwide for its ability to get its products—some as perishable as a daily paper—to pernickety customers on time. Initially its products replaced radium, scarce and very expensive, as source of radio-activity for doctors to attack tumours. Later, for a while, it made parts from tritium, a radio-active form of hydrogen, needed in nuclear weapons. The company has been very commercially oriented from the beginning," says Sir John Hill, its chairman. Yet it was founded by a chemist, Dr Pat Grove, who ran it until his

retirement in 1979. Dr Grove believed in keeping a very low company profile. As Sir John sees it today, "it's a high-growth industry essentially linked to the top end of the medical market." The medical sector of Amersham's business is growing at about 20 per cent a year. Dr Stuart Burgess, another chemist, with considerable experience in the marketing of radio-activity, has taken over as managing director. Dr Burgess's business is selling radio-activity in more than 1,500 different packages, many of them invented by a company which reinvests about 8 per cent of sales in research and development. Its markets are mainly hospitals, factories and research centres. It is constantly searching for ways of selling radio-activity, in competition with such companies as Du Pont and Hoechst. Amersham's salesmen tend

to be scientists, well able to discover the finer nuances of very sophisticated products, and also the customer's needs. This symbiosis between sales and research drew the company deep into diagnostic kits in the 1970s. The idea here is to provide the hospital technician with a simple way of doing some very advanced analytical chemistry for the patient, to measure accurately some complex chemical whose presence or absence may be causing the trouble. Each kit is a set of matched components of plastic, plus a recipe. With this kit the technician can quickly measure some vital biochemical factor in blood or another body fluid. More than half of Amersham's sales are in this sector today. But almost every big drug company is competing with it in diagnostic kits. In Britain alone it has at least a dozen rivals. Yet Amersham's biggest market is rising. Dr Burgess

claims. Genetic engineering poses another threat for some sectors of Amersham's medical business. One of the most promising targets of biotechnology at present is diagnosis of disease with kits using monoclonal antibodies, instead of radioactivity to pinpoint the seat of the problem. These are one of the first fruits of genetic engineering (and a British invention). When Celtech, the British Government-backed genetic engineering company, started in 1980 it had ideas of harnessing Amersham expertise in making and marketing kits. But later Celtech decided that diagnostic kits must become too important a part of its early business to rely on another and bigger company. Amersham meanwhile has started its own research in genetic engineering. In the U.S. Du Pont last year bought Amersham's biggest rival in selling radio-activity.

For Du Pont—a company which is spending about \$200m a year on research in the life sciences—the great attraction of New England Nuclear was not only its expertise and market position in radio-active medical products, but the way it was adapting its experience to the monoclonal antibodies. Other major chemical and pharmaceutical groups, jockeying for investment opportunities in genetic engineering, left Amersham directors in no doubt last year that they wanted the company for similar reasons. For Amersham, this posed the serious risk that vital research relations it enjoys today with every major drug-maker could disappear overnight. For the Government, it posed the risk that Amersham could be bought outright by a foreign investor. That is one reason why no investor, foreign or British, may hold more than 15 per cent of the shares.

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J.P. H. Smith



Antony Thorncroft reports that the high cost of rapid expansion has caught up with London's main auction houses

# A chill wind in the salerooms

ONE OF the great British success stories of recent years has been the international expansion of the London auction houses. In 1970 Sotheby's had an annual turnover of £35m; at the end of its last season in July worldwide sales totalled £17m. In the same period arch-rival Christie's had increased its turnover from £15m to £177.5m.

But now, suddenly, there seems to be a price to pay for such precipitate growth. Sotheby's, in particular, has had to shed staff this year in Britain and the U.S., and is planning to close its second London auction house, Sotheby's Belgravia. Its relationship with its main customers, the antique dealers, is at an all-time low.

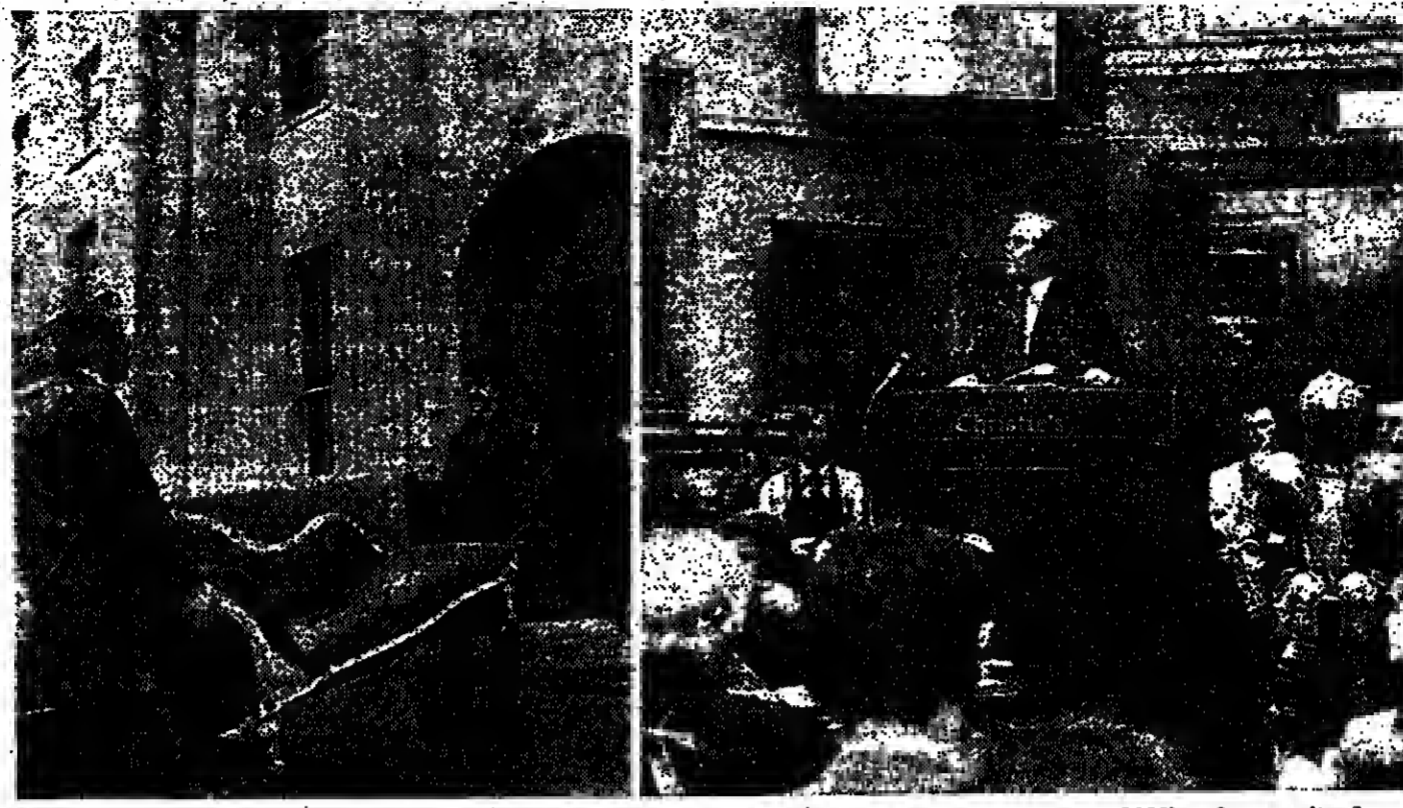
Sotheby's problems stem in the main from over-rapid expansion. The recession was late to hit the art market, fostering the illusion that antiquities were recession-proof, and in 1980-81 Sotheby's was still confident enough to invest £7m in major capital projects, including the purchase of the Aeolian Hall in London (as a centre for book sales) and the development of York Avenue in New York.

So last season's rise in sales of 94 per cent was accompanied by an unprecedented increase in costs, not least in the U.S. Turnover in North America grew by almost 50 per cent in 1980-81, with New York overtaking London as the world's leading art centre, but the continuing high interest rates there made this expansion very expensive. High interest rates have also encouraged the rich to keep their money in the bank rather than invest in art as an alternative investment. In the absence of any really valuable collections coming to the market, New York is facing a tougher trading situation: end already 200 of a Sotheby's staff which had rapidly climbed to 1,000 have been shed.

The same economies are now happening in the UK where Sotheby's lost £86,000 in its operations last season. Already this season 70 staff have left through natural wastage and now there are to be redundancies in the Torquay and Chester salerooms. The intended closure of Sotheby's Belgravia and the transfer of its departments to the main auction house in Bond Street should lead to significant staff savings. Sotheby's has also had a good offer, believed to be £1.5m for Nash House, the Bond Street property which housed its accounts department.

Mr Graham Llewellyn, who has just taken over from the Earl of Westmorland as chief executive at Sotheby's, believes that the worst is now over. He attributes many of the difficulties to the absence of the very big lots. In 1978, for example, in just four days Sotheby's brought in £15m through the sale of the von Hirsch collection; in the 1980-81 season the disposal of the André Meyer collection in New York totalled over £16m (£8.5m); the two parts of the Chow collection of Chinese ceramics made HK\$40.7m (£3.8m) and £3.5m; and one jewels sale in Geneva realised over £1m (SwFr. 11m (£1.4m)). This season such remunerative sales have been absent.

"If you remove the three major sales from last season from the turnover then 1981-82 is running at roughly the same level," says Llewellyn. Indeed, the four provincial showrooms that are currently being slimmed down all report increases in turnover of between 10 and 50 per cent. Unfortunately, there is little if any profit in the cheap lots, the bread and butter of these salerooms. Over three-quarters of the lots passing through Sotheby's and Christie's sell for less than £500 and although both salerooms have organised themselves to handle



The two faces of the auction room: Sotheby's Belgravia, the victim of over-rapid expansion, and bidding for a suit of armour at Christie's

such business better—Sotheby's by instituting "fast" sales and Christie's through its South Kensington operation—it is an arduous way to make money. At less than £200, according to Llewellyn, "we can't really make a profit." Collecting 20 per cent in commission on a £1m lot, as Sotheby's can do, is just more worth while.

Both Sotheby's and Christie's detect a better tone in the market in the past month, a hint that the worst might be past. Llewellyn points to last weekend's jewels sale at St Moritz, which totalled SwFr. 94m around SwFr. 2m above his

conservative forecast. The latest Old Masters sale in London was also encouraging, with less than 10 per cent unsold.

Mr Jo Floyd, chairman of Christie's, also notes an increase in the percentage of lots sold at auction. However, the fact that more goods are finding buyers could reflect the more cautious reserves that the salerooms have persuaded vendors to adopt. With Christie's reporting only a marginal increase in turnover in its autumn sales season—from £70.87m in 1980 to £70.84m worldwide last year, and Sotheby's refusing

even to release figures, the two leading London auction houses will be doing well if they can maintain their British turnover this season. At the moment Sotheby's reckons it is 3 per cent down. There should still be growth in the U.S.

But more worrying than the belated effects of the recession on London's traditional role as the centre of the world art market is the current ill will felt by the antiques trade towards Sotheby's in particular. Salerooms and dealers are both rivals and allies; neither side can exist without the other. In some markets dealers buy over

half the lots on offer as well as being important vendors. Yet since Sotheby's and Christie's introduced a 10 per cent buyers' premium in 1975, in an effort to maintain profits during the last recession, the relationship between dealers and auction houses has been tense.

Last week the British Antique Dealers Association and the Society of London Art Dealers agreed to make available to the Office of Fair Trading evidence which is claimed to prove that there was illegal collusion between Sotheby's and Christie's in the introduction of the buyers' premium. Although

some dealers felt that this unfortunate incident should now be swept under the carpet in the interests of the general reputation of London, the impetus to help the Office of Fair Trading in its inquiry was too strong. Sotheby's may not have helped matters by going against the spirit of a truce patched up in the autumn and not only finding itself, for financial reasons, unable to reduce the buyers' premium but actually raising the charge to vendors by 5 per cent, to 15 per cent net plus below £500.

Christie's, from its stronger financial base, was able to take a gamble and just before Christmas announced that it was cutting the buyer's premium by 2 per cent to 8 per cent. This will cost it almost £1m a year in lost revenue and to recony it is making a strenuous effort to attract more business, not least through an advertising campaign.

The conflict between Sotheby's and the trade, the development of international links which means that the major salerooms send more goods for sale in their overseas auction houses if they think prices there will be better; the recession, which is having an even worse impact on the trade than on the salerooms; are all threatening London's once impregnable position. This is particularly worrying for Mr Christopher Weston, chairman of Phillips, third in size among the salerooms, which has grown through developing the middle and lower end of the market and without the benefit of the very big collections.

Weston runs a particularly tight ship and reckons that this season Phillips is just on target. Collectibles—coins, stamps, etc.—are weak but silver, jewels and pictures are doing better than expected. He is particularly concerned about the problems in the trade. Dealers are attempting to get

longer credit or ease their financial difficulties by putting back on the market goods that they have bought and cannot sell: such items often attract low prices or are unsold. High retail rentals and rates are persuading more and more dealers to operate from their homes and this tends to cut attendances at the saleroom: there has been a marked increase in postal bids.

In recent years overseas dealers have made good the shortfall of British customers, but now that the recession is affecting Germany and Scandinavia there are fewer continental dealers. Only items of the finest quality, especially at the top end of the market, can command high prices, yet there is an increasing shortage of such works as masterpieces disappear into museums. Not only are owners of the best pieces reluctant to sell in an uncertain market but the Government is showing an increasing interest in accepting such works in lieu of tax. Last week a Van Dyck, "The betrayal of Christ," was accepted in part satisfaction of estate duty at a cost of £702,633.

Sotheby's now appreciates that that it must offer a better face to the market. It does not always handle the Press comfortably: for example the closure of Belgravia could have been presented as a shrewd rationalisation since it was made possible by the company negotiating a move into the old Stinway building, adjacent to its Bond Street headquarters. This autumn instead of 1984, Mrs Sotheby's scattered work force is collecting in one extensive building, no bad thing. It is attempting to seize the initiative through an advertising campaign. A burst in the quality nationals, at a cost of £400,000, is aimed to reassure the top end of the market. All told, 30 per cent more is being spent on advertising and marketing this year—making a total of almost £3m.

## Weekend Brief

### Liz Taylor's 'noble ambition'

PERHAPS the world's best known actress finally makes her entrance on the West End stage next Friday when Elizabeth Taylor opens in previews of *The Little Foxes*, the play by Lillian Hellman. But if the critics are kind we could be seeing a lot more of Miss Taylor in future.

For after avoiding the stage for almost 50 years Elizabeth Taylor is discovering the excitement of applause from an audience. The man who changed her mind, and her partner in her future theatrical plans, is American theatre owner and impresario Mr Zev Bufman. Bufman met Liz Taylor at a party in Washington in September, 1980. "Why don't you do a Broadway play?" he asked. "Why don't you ask me?" was the reply.

Bufman assembled a team of actors in a hotel to read through three plays with Liz Taylor. The first was *Howard's Boy*; the second the Hellman; the third *Whose Fear of Virginia Woolf*, which provided the star with her most acclaimed screen appearance. After a few pages



Zev Bufman and Liz Taylor's most rewarding partnership

of *The Little Foxes* the company realised it had the perfect vehicle for Miss Taylor. Bufman owned a theatre in Fort Lauderdale in Florida where any disaster could be quickly buried and a year ago today Elizabeth Taylor made her theatrical debut in a speaking part—she was once a mute Helen of Troy to Richard Burton's Dr Faustus.

Success was instant and *The Little Foxes* moved to an extended run on Broadway, then an American tour. Since its first night there has never been an unsold ticket for *The Little Foxes*. It has broken all box office records for a straight play, setting a world record when it took \$500,000 in each of its two weeks in New Orleans; estab-

lishing a Broadway record at \$235,000 in a week, and all told grossing almost \$11m before the company had its break just before Christmas.

Elizabeth Taylor signed for a low minimum guarantee but a high percentage of the gross receipts. The gamble has made her around \$1.5m richer. London is not adding much to her fortune. The maximum gross at the Victoria Palace theatre is £120,000 a week and the play needs £103,000 to break even. But Elizabeth Taylor is more anxious to succeed in London than on Broadway and with box office receipts already approaching £1m, despite the highest ever top seat price of £12.50, she is certain at the least of another commercial success.

The owner of the Victoria Palace is contemplating a record advance for a straight play in London of film before the curtain rises.

Having uncovered such a rich seam Bufman and Taylor are already well advanced with their next production—*The Sweet Bird of Youth*. This will open on Broadway after Christmas and come to London some time next year. After that the current contract specifies one more production and the great hope in the Taylor camp is that a deal can be fixed with the National Theatre or the Royal Shakespeare Company whereby they can perform for a season in New York while Miss Taylor appears at the National Theatre. It is a noble ambition.

## Television and the 'gosh' syndrome

Michael Blakstad, programme controller of Television South, one of independent television's youngest companies, is preparing himself for a flurry of criticism on Tuesday when a new science series goes on the air.

The aim of the programme called "The Real World" is to stimulate the general public to

be more aware of the influence of science and technology on all our lives.

TVS wants to bring back the "gosh" reaction to science and technology and get the programme on the whole of the independent television network which has always been cautious about inflicting technology on its audience.

"We want to be provocative and open doors in people's minds about technology," said Blakstad. "But you have to expect criticism if you are going to stimulate the audience to think about science," he said. The first programme in the

"Real World" series will deal with personal computers and their impact in the home and at school, following the government decision to encourage the use of computers in education.

The producer placed computers with "guinea pig" families and observed the reactions. These were varied but often ended with the kids and dad fighting over the computer with mum grombling in the background about missing her favourite soap opera.

The programme also looks at the teaching case with which primary school children in a Maidenhead school play with

computers.

In future programmes, Douglas Rae, once a presenter of the children's series "Magpie" and now the "Real World" producer, says that the world of robots, 3D television, and medicine will be explored.

Blakstad, whose broadcast area covers the south and south east of England, is aiming at that elusive character, "the lady in the Chatham launderette."

He hopes that TVS viewers will be receptive since they are reckoned to be the most up-market audience in the country and a good test-bed for new ideas.

## Dylan's daughter remembers days in Milk Wood

"They shall have stars at their own feet... And death shall have no dominion"

Dylan Thomas joins the immortals on March 1—St David's Day, appropriately enough. A plaque in his memory will be unveiled at Poet's Corner in Westminster Abbey.

On the eve of the ceremony, his only daughter, Aeronwy Thomas Ellis, also a poet (she was a girl of 10 when Dylan died in 1953), remembers the last years. "The more I go back, the more I find there. It is a bottomless treasure chest which I can always draw on for inspiration."

But she cannot deny there were difficulties. She wasn't spoiled, she says. The people who could do no wrong were her elder older brother, nicknamed "The Bible" and Colin, the youngest, with his headful of golden curls.

She has her own special

memories—such as the time her father came through the door labouring under the weight of a huge, dull's house, or the times when he would comply with her constant request to be read to. Then Grimm's Fairy Tales would take on a new meaning as Dylan enacted all the main characters from growing wolf to stampering little child.

It was from the confinement of an English boarding school that Aeronwy first learned of her father's death. She knew immediately there was no question of returning to live in Langharne—the little seaside town in South Wales made famous in *Under Milk Wood*—it held too many memories.

The severing of the Welsh roots was painful as she had inherited her father's love for the country. She thinks it was the illusion to Wales and the finely drawn pictures of the scenes of her childhood in Thomas's work that prevented her from reading any of her father's poetry until she was into her 20s.

Aeronwy went to join her mother in Italy, and found it difficult to cope with her father's posthumous fame, and the magic that his name now

evoked. She became interested in the teachings of Zen Buddhism and started to write poetry herself. Her poetry bears no family resemblance, but the influence of Zen is very apparent.

In the introduction to her book *Letter from Laugharne* the artist Merwyn Levy refers to her "significant art"—and her "exquisitely shaped and gem-like poetry." She wrote her little book *Christmas and other Memories* to commemorate the 25th anniversary of her father's death.

At one point in it she describes with wry humour a recent visit to the village of her childhood; "Is that Dylan Thomas's daughter?" said the man in an American accent. "Very glad to meet you Miss Thomas, this is a great honour. I can't say I knew him, exactly... (the 'him' is said in reverential tones) 'though we did share an elevator once'."

She is detached from the industry which surrounds her father's memory. She lives quietly in a London suburb which she ruefully admits is a "million light years" away from the exciting world of her childhood.

She is married to Trefor, a Welshman whom she met when he was touring America singing in a Welsh choir. They have two lively children, Huw Dylan, who at seven is the image of both his mother and grand father, and Hannah Florence who rules the roost at the age of four.

Aeronwy gives readings whenever possible of both her own and her father's writings. She speaks in a crystal-clear voice with just the trace of a Welsh accent. As she recites the images become vivid and lifelike so that the audience becomes one with the written word.

Would she like to move back to Wales—to Laugharne? "I hope eventually to return to Wales. But unfortunately not to Laugharne. It was impossible to get work and make ends meet when I was a child. It is impossible now. That is something that will never change."

- Contributors:
- Antony Thorncroft
  - Elaine Williams
  - Lucy Daltroff

TODAY: Lord Carrington, Foreign Secretary, in Kenya, on African tour (until March 3).

MONDAY: Financial Times fourth world motor conference opens in Geneva (until March 2). Lords debate on sea pollution. CBI monthly trends inquiry for February published. Mr Kenneth Baker, Information Technology Minister, makes inaugural telephone call via Marce satellite. Manpower Services Commission launches youth training workshop at Ford Motor Co., Dagenham. Channel Tunnel consortium announces plans. Driving test fee rises to £13.

## Economic Diary

TUESDAY: Commons debates effect of 23 per cent gas price increase. Treasury gives details of UK official reserves for February. Capital issues and redemptions (during the month of February) from Bank of England. EEC Development Ministers hold informal meeting in Brussels. Electricity Council three-day conference opens in Harrogate. Aims of industry reveals Socialist threat to industry. English Tourist Board statement on camp and self-catering sites. Prince Philip begins four-day visit to Sri Lanka.

WEDNESDAY: Department of Energy issues advance energy statistics for January. Teachers pay talks resume following rejection of 3.4 per cent offer. DESS Quinquennial Report on National Insurance Contracting Out Terms, 1983-88, published. Sir Douglas Haig, Government Economic Adviser, speaks at City Financial Services two-day conference on international reinsurance, Rainbow Suite, W8. Lords debate on less developed countries. British overseas trade report published. The Queen opens the Barbican Centre.

THURSDAY: Power workers pay talks resume. The Queen visits annual stallion show. National Light Horse Breeding Society, Newmarket. Anti-Sealing pressure group statement on banning of Canadian seal products. Book published to assist employers taking on the disabled.

FRIDAY: Figures for housing starts and completions in January and for fourth quarter house renovations from Department of the Environment. Department of Industry publishes company liquidity survey for fourth quarter.

First things first. Small business computer hardware or software - which comes first? At Peachtree we know that software has to come first.

It's all a very confusing business at the moment. The microcomputer is growing up, making computer power accessible to thousands of smaller businesses and to departments of larger organisations who couldn't justify it before. The trouble is, you are forced to choose a computer first (the hardware, like the tape recorder) and then find the programs (the software, like the music) to make it do what you want.

Peachtree has changed all that. There is no question now which comes first. It must be the software.

For the first time ever, the small computer user (like the large computer user) has the option of choosing a coherent, complete and comprehensive set of business software products, all from the same company, all designed to work together.

- Peachtree Financial Management
  - Tools Nominal Ledger and Budgeting, Financial Forecasting, Purchase Ledger, Sales Ledger, Inventory Management.
- Peachtree Business Management Tools
  - Sales Order Processing, Payroll Accounting, Name and Address Management.
- Peachtree Office Management
  - Tools Word Processing, Automatic Spelling Dictionary, Communications to other computers.

Until now either you, the user, or your computer supplier have had to cobble together a collection of products from different sources to meet some or all of these requirements.

Now - for the first time - your computer supplier can offer you the full set, (or the parts you need to start with) plus all the service you need, from one source.

This means that your software systems are easier to install and you get a quicker return on the investment you make in your computer.

It means that the systems all work together, enabling you to get more out of your computer.

Because Peachtree software works on so many different types of computers it also means you're more likely to be able to take your application systems with you as you expand your use of computers in the future. You will be able to protect your investment in computer systems as you grow.

Until now microcomputer software has been a jungle. Now MSA, the world's largest company specialising entirely in business computer software products for large computers (nearly £40 million worldwide sales in 1981), has joined forces with PEACHTREE SOFTWARE, the world leader in these products for microcomputers.

Together we make an unbeatable combination. As a public company, MSA has the resources to guarantee you and your computer supplier support, both now and in the future. Peachtree software is supplied by computer manufacturers themselves, on a whole range of small computers - including the new IBM personal computer.

Now you can go and buy your computer. Ask for Peachtree business software products in the confidence that you will receive skilled and professional advice in their use from your computer supplier, backed up by Peachtree.

We work through local computer service companies because they are close to your office and your needs.

So, first things first: Send us the coupon or your business card or letterhead. We'll send you the name of your nearest supplier, along with a detailed description of Peachtree business software products and a full explanation of the importance of software. Or telephone Miss Susan Jane at Maidenhead (0628) 71011. Peachtree Software International, MSA House, 99 King Street, Maidenhead, Berkshire SL6 1YF.

I'd like to know more about PEACHTREE business software products.

NAME \_\_\_\_\_ TITLE \_\_\_\_\_

COMPANY \_\_\_\_\_

ADDRESS \_\_\_\_\_

TELEPHONE NUMBER \_\_\_\_\_

Please return to Susan Jane, Peachtree Software International, MSA House, 99 King Street, Maidenhead, Berkshire SL6 1YF. Telephone Maidenhead (0628) 71011. Telex: 847400 MSAUK G. MSA (Management Science America) Ltd is a subsidiary of Management Science America Inc.

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MSA

UK COMPANY NEWS

Companies and Markets

AI Industrial £1m loss: sees upturn

IN LINE with AI Industrial Products' interim forecast, second half taxable losses fell from £758,000 to £394,000 in 1981...

Yorkshire Fine back in red at year-end. WITH TRADING conditions deteriorating, Yorkshire Fine Woolens Spillers, textile group, failed to maintain its recovery momentum in the second half of 1981.

comment AI INDUSTRIAL grounds on the red. Losses, pre-tax, are only 9 per cent higher but the previous year carried £200,000 from operations since disposed of.

55.26m (£5.58m). Medium and long term loans stood at £1.53m (£2.04m).

Yorkshire Fine back in red at year-end

WITH TRADING conditions deteriorating, Yorkshire Fine Woolens Spillers, textile group, failed to maintain its recovery momentum in the second half of 1981.

BIDS AND DEALS Sketchley offers \$40.6m for U.S. garment hirer

BRITAIN'S largest dry cleaning group, Sketchley, hopes to make its first U.S. acquisition with a \$40.6m (£22m) tender offer for Means Services, a Chicago-based linen and garment hirer.

Sketchley's proposals but they were not in a position to make a formal recommendation to shareholders until March 15, by which time it will have investigated Sketchley's financial capability and "the fairness of the transaction."

Chicago-based company, listed on the American and Midwest Stock Exchanges, employs about 3,500 people.

Phoenix Timber restructures debt profile

ESSEX BASED timber merchant Phoenix Timber is restructuring its debt profile with a £4.6m 15-year loan from Finance Corporation for Industry to repay short-term borrowing.

loan in ten equal instalments commencing in 1987. The remaining £500,000 may be converted between 1984 and 1991 into ordinary shares at a price of 105p each.

By the end of the year to March 1982 bank advances and bills payable will be down to around £7m, against £9.5m a year before, helped by a reduction in stocks from £9.1m to about £7.5m.

Phoenix has been advised by Brown Shipley.

Sir Hugh may dispose of his Fraser shares

SIR HUGH FRASER, who earlier this week severed his boardroom connections with House of Fraser, the stores group which his family built up, hinted yesterday that he was considering selling his family's shares in the group.

Sharp cut in loss at Burndene

TAXABLE losses at Burndene Investments were considerably reduced in the first half of the current year to £1,050,000 from £1,777,000 in November.

Support for Burmah's offer shrinks

The 70p per share offer by Burmah for Croda International, the specialty chemicals group, has lost some support.

L & S buys Hamilton Leasing

Lloyds and Scottish has concluded negotiations and completed the acquisition from FFI (UK Finance) of the plant and other assets involved in the operations of Hamilton Leasing and its subsidiaries.

Receivers in at Irvine Sellars

Irvine Sellars Group has gone into receivership. Mr. Gerry Weiss and Mr. John Powell of Cork Gully have been appointed joint receivers and managers.

Second half recovery at Olives Paper Mill

THE RETURN to profitable trading seen at Olives Paper Mill Co. towards the end of the first half of 1981 continued in the second six months when there was a sharp recovery from a £491,130 pre-tax loss to a £128,749 profit.

Overseas boost for Albright and Wilson

A substantial increase in overseas profits, especially in Canada, brought about a recovery in the taxable surplus of Albright and Wilson from £2.2m to £11.07m in 1981.

ST ANDREW

After tax profits of the St Andrew Trust slipped from £307,000 to £781,000 in 1981 on maintained gross revenue of £1,300m. Tax took £452,000 against £494,870.

Results due next week

Unilever's preliminary results, due on Tuesday for 1981 are not expected to produce many surprises. As the first three quarters have indicated, the full-year figures will show a good improvement over 1980.

DIVIDENDS ANNOUNCED

Table with columns: Company, Current payment, Date of payment, Correlation, Total of last year, Total of this year.

GREENFRIAR

THE striking price for the conversion of the new Greenfriar warrants has been set at 224p. Dealings in the warrants will commence on March 1 1982.

REYNOLDS DIVERSIFIED

REYNOLDS Diversified, the Nevada energy company which is paying \$3.6m for a 64.9 per cent stake in D. J. Pacific, has been made by an Over-The-Counter quotation in the U.S. early next week.

Fleet Holdings to break even

Fleet Holdings, the demerged newspaper and publishing interests of Trafalgar House, is to make its stock market debut this Thursday.

Vote upset for Hallite

TWO OF the four resolutions put forward at Hallite Holdings' extraordinary meeting have been defeated following the poll of shareholders demanded by General Tire and Rubber (South Africa) which holds 25.56 per cent of Hallite's equity.

Suspension for Sangers

Shares in Sangers, the low-making pharmaceutical whole-travel group, were suspended yesterday as the company secretary Mr. K. G. Dibble expected the group to make its next week.

Platinum cash injection and £0.5m acquisition

THE WRITING equipment and giftware group Platinum is seeking to revive its flagging profits and prospects with a major cash injection, recruitment of new management and the acquisition of a private point-of-sale design group.

Upturn for Celtic Haven

RECOVERY from a £77,778 pre-tax loss to a £185,512 profit is reported by Celtic Haven, engineering and steel fabricating group, for the half year to September 30 1981.

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Table of Final Dividends for various companies including Alliance Trust, Barclays Bank, Bagnall and Sons, etc.

Table of Interim Dividends for various companies including Tavenor Rutledge, Atwood Corcoran, etc.

Table of Dividends (p) for various companies including Tavenor Rutledge, Ulmer, etc.

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WORLD STOCK MARKETS

Early small falls on Wall St

STOCKS KEPT step with the weakening Bond Market and slipped lower on Wall Street yesterday, as investors awaited the Weekly Money Supply figures.

By 1 pm the Dow Jones Industrial Average was at 2,488 at \$23.34 for a net loss of 9.86 on the week, while the NYSE All Common Index, at \$66.24, shed 17 cents on the day and 18 cents on the week.

Analysts are projecting that the M-1 measure of the money supply, released after the market closes, will be flat to slightly higher, which would relieve pressure on interest rates.

Also weighing on the market was a gain to the Federal Reserve on an overnight loan between banks, to 1 1/2 per cent from an opening of 1 1/4 per cent.

Oil prices were mixed in active trading, with mainly negative factors countering Thursday's firm trend.

The Metals and Minerals Index lost 3.0 at 1,607.5, and Gas 8.1 at 2,806.4, while the S&P 500 fell 1.11 at 317.25 and closing prices for North America were not available.

after announcing an average 3.5 per cent price increase for Peugeot and Talbot cars next month.

In mixed Electricals, CIT Alcatel raised FFR 11 to 855. Firm sectors included Financials, Feeds, Constructions, and Stores, but Banks were easier.

Among the Foreign sector, Americans, Germans, Japanese, Dutch, Gold Mines, Oils and Coppers were all easier.

Deutsche Babcock lost DM 4 to 209 to lead Engineering down. Preussag came back DM 3 to 206 on profit-taking.

Among Industrials, AEG shed 10 cents to R30 despite its 25 per cent rise in pre-tax profit last year.

Share prices were mixed in active trading, with mainly negative factors countering Thursday's firm trend.

Money to 1 1/4 per cent from 1 1/2 per cent, Thursday's easier trend on Wall Street, the strength of the dollar and profit-taking all combined to depress market sentiment.

However, in firm Motors, Peugeot were firm at FFR 183.

Most shares closed easier after a broadly steady start. Follow through orders failed to emerge in quiet markets, lacking the stimulus of Foreign buying.

The Nikkei Dow Jones Index slipped back a further 31.94 to 7,542.51 - this year's lowest. Trading was moderate at 360m (320m) shares.

Steels and Shipbuilders suffered serious setbacks. They faced the brunt of selling by Foreigners, who were probably alarmed by rumours that Kuwait may dump Japanese shares because of its deteriorating trade balance as a result of oil price falls.

Pioneer, however, regained Y30 to 1,530 despite an anticipated earnings drop.

Pharmaceuticals, Textiles, Cables, Constructions and Machine Tools all languished.

Kyokuyo rose Y22 on expectations it may post a better earnings gain in the current fiscal year because of higher prices of fish and stepped-up business efficiency.

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Japanese Government Bonds were generally easier in light trading.

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NEW YORK

Table of stock prices for various companies in New York, including columns for Stock, Feb 25, Feb 24, and Feb 23.

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NEW YORK ACTIVE STOCKS

Table of active stock transactions in New York, including columns for Thursday, Stocks, Closing, Change, and Stocks.

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Notes on data sources, exchange rates, and other financial information.

Companies and Markets

INTERNATIONAL COMPANIES and FINANCE

TECHNICAL PACT EXPECTED SOON

Mitsubishi warms to Chrysler link

By Richard C. Hanson in Tokyo

MITSUBISHI MOTORS of Japan expects shortly to sign a technical agreement with Chrysler Corporation of the U.S. which is expected to smooth the path to possible joint U.S. car production between the two companies.

JAPANESE DEAL FOR WESTINGHOUSE

A GROUP of five Japanese electric power companies and Westinghouse Electric will sign an agreement shortly with Westinghouse Electric of the U.S. for joint development of a new advanced pressurized water reactor, reports Reuters from Osaka.

licensed production of a model. But under the voluntary restraints calling on exports to the U.S., Mitsubishi's share is only 112,000 units and it is believed that the ceiling will not be raised this year because of sluggish U.S. sales.

AM seeks credit waivers from banks

By Paul Betts in New York

AM INTERNATIONAL, the Chicago-based office equipment manufacturer, is in trouble with its banks again for the second time in about nine months.

BMW to acquire full control of engine venture

By Kevin Done in Frankfurt

BMW, the West German manufacturer of high performance cars and motor cycles, is to acquire the 50 per cent stake held by Steyr-Daimler-Puch of Austria in their diesel engine joint venture in Austria.

ABN ahead despite heavy debt provisions

By Charles Bacheler in Amsterdam

ALGEMENE Bank Nederland (ABN), achieved a rise in net profits last year despite the need for a further big increase in its provision for bad debts.

'No reason' for Bond share fall

By Our Financial Staff

BOND CORPORATION Holdings (BCH), the main quoted company of Mr Alan Bond, the Western Australian entrepreneur, has told the Perth stock exchange that it knows no reason for the recent sharp fall in MCH's share price.

Norsk Hydro plans higher dividend as profits grow

By Fay Gjerster in Oslo

NORSK HYDRO, Norway's largest industrial concern, proposes a 14 per cent dividend for the year ended 1981, compared with the 12 per cent paid for the previous full 12 months trading period ending June 30, 1980.

AECI lifts earnings by 34%

By Bernhard Simon in Johannesburg

AECI, South Africa's largest chemical producer, lifted net profit by 34 per cent to R174.5m (\$150m) last year from R130.3m in 1980. The company forecasts "difficult" trading conditions in 1982.

Holzmann wins DM 2bn order from Saudi Arabia

By Our Frankfurt Staff

PHILIPP HOLZMANN, West Germany's largest building group, has won construction orders worth DM 2bn (\$840m) from Saudi Arabia in one of the biggest contracts it has won in the Middle East.

U.S. railway settlement

THE TRUSTEE of the Lehigh Valley Railroad said the U.S. Government has agreed to a settlement in excess of \$75m in cash and other consideration for Lehigh property transferred to Conrail in 1976 under the Regional Rail Reorganisation Act.

No benefit

The deal has been virtually completed but BCH yet to benefit from Swan's financial strength.

"The board is not in possession of any information which would explain the reason for the share price variation," BCH said.

Agreement reached on Reksten

THE prolonged negotiations between Hambros Bank, the Norwegian state-backed Guarantee Institute (GI), and other creditors of the Reksten tanker group have been concluded.

An agreement has been signed on the sharing out of the 12 tankers in the Reksten fleet, and all the parties involved have undertaken not to take legal action against Hambros. The bank, the first priority lender on many of the vessels, made this a condition of the agreement. The deal still requires the approval of the Norwegian Government and the Storting (Parliament), writes

International developments

International developments since January 1981. Exports rose only slightly, from R62.5m in 1980 to R65m, despite a rapid depreciation of the rand. Export earnings suffered as a result of the world slump in prices for polyvinyl chloride (PVC) manufactured at the coal-based plant at Sasolburg, the largest of its kind in the world, in which AECI has a 60 per cent shareholding.

Burroughs move

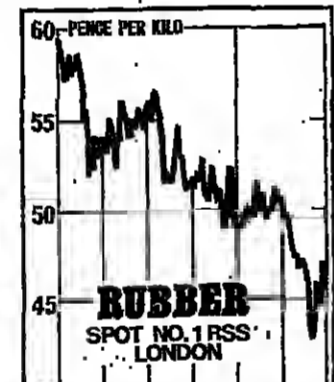
Burroughs Corporation said the peripherals portion of its original equipment manufacturer division was transferred to Memorex Corporation, a subsidiary since December, as part of a plan to maximise the strengths of the two companies.

COMMODITIES/REVIEW OF THE WEEK

Dramatic collapse in tin market

By Our Commodities Staff

TIN CONTINUED to capture the headlines this week with a spectacular price collapse. Cash tin on the London Metal Exchange last Monday closed at \$7,140 a tonne, \$1,690 down on a week ago and \$1,845 below the peak of nearly \$9,000 reached over a fortnight ago.



MARKET REPORTS

BASE METALS

TIN WAS once again the most actively traded metal on the London Metal Exchange, with the Contango widening to 10 cents in the afternoon. Tin closed at \$7,140, copper closed at \$85, lead at \$235.5, zinc at \$240 and aluminium at \$230. Tin's price was held in spite of the fact that Asarco announced price cuts on all three metals. Aluminium was finally \$233 and nickel \$21.90.

WHEAT

Wheat futures prices were mixed. The March contract rose to 110.10, while the May contract fell to 108.25. The London wheat market was active, with the March contract rising to 110.10 and the May contract falling to 108.25.

AMERICAN MARKETS

NEW YORK, February 26. THE PRECIOUS metals and copper were lower on weakness in currencies and current recessionary forecasts. Sugar and cocoa came under pressure from arbitrage selling in a weakness to commodity prices. The live-stock complex was under pressure from lower cash prompted by higher prices for hogs and soybean complex. The grain complex was mixed, with wheat futures rising and corn futures falling.

WEEKLY PRICE CHANGES

Table showing weekly price changes for various commodities including Metals, Grains, Oils, and Other Commodities. Columns include Latest prices, Change on week, and 1981.68 prices.

COCAOA

COCAOA prices were mixed. The London cocoa market was active, with the March contract rising to 110.10 and the May contract falling to 108.25.

RUBBER

RUBBER prices were mixed. The London rubber market was active, with the March contract rising to 110.10 and the May contract falling to 108.25.

COFFEE

COFFEE prices were mixed. The London coffee market was active, with the March contract rising to 110.10 and the May contract falling to 108.25.

SOYABEAN MEAL

SOYABEAN MEAL prices were mixed. The London soyabean meal market was active, with the March contract rising to 110.10 and the May contract falling to 108.25.

INDICES

Table showing various indices including Financial Times, Dow Jones, and Wool Futures. Columns include Date, Value, and Change.

BANKS, DISCOUNT (872)
Table listing various banks and financial institutions with their respective details and locations.

BREWERIES (429)
Table listing various breweries and their details.

BUILDING SOCIETIES

Table listing building societies and their details.

COMMERCIAL (16,927)

Table listing commercial companies and their details.

MONTHLY AVERAGES OF STOCK INDICES

Table showing monthly averages for various stock indices from February to November.

BASE LENDING RATES

Table listing base lending rates for various banks and financial institutions.

LOCAL AUTHORITY BOND TABLE

Table listing local authority bonds with details on interest, maturity, and life.

Stock Exchange dealings

The list below, restricted mainly to equities and convertible stocks, has been taken with consent from last Thursday's Stock Exchange Official List and should be reproduced without permission.

The prices are not in order of execution, but in ascending order which denotes the day's highest and lowest dealing prices.

For those securities in which no business was recorded in Thursday's Official List the latest recorded business done during the previous four business days is given with relevant dates appended.

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Table listing various stocks and their prices, including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc.

INSURANCE (484)

Table listing insurance companies and their details.

MINES—South African (263)

Table listing mining companies and their details.

INVESTMENT TRUSTS (338)

Table listing investment trusts and their details.

OIL (1186)

Table listing oil companies and their details.

PROPERTY (457)

Table listing property companies and their details.

FINANCIAL TRUSTS (358)

Table listing financial trusts and their details.

UNIT TRUSTS (21)

Table listing unit trusts and their details.

Table of financial data including 'PLANTATIONS (32)', 'RAILWAYS (8)', 'SKIPPING (145)', 'UTILITIES (20)', and 'UNLISTED SECURITIES MARKET (307)'.

Table of financial data including 'Bargains marked in securities which are quoted or listed on an Overseas Stock Exchange', 'AOC & C251', and 'AOC & C252'.

Table of financial data including 'Merrill Lynch 12', 'Merrill Lynch 13', and 'Merrill Lynch 14'.

Table of financial data including 'Merrill Lynch 15', 'Merrill Lynch 16', and 'Merrill Lynch 17'.

Table of financial data including 'Merrill Lynch 18', 'Merrill Lynch 19', and 'Merrill Lynch 20'.

FT UNIT TRUST INFORMATION SERVICE

Large table listing various unit trusts and their performance, including 'S.E. Europe Obligations S.A.', 'Lazard Joseph & Sons (Guernsey)', and 'Save & Prosper International'.

MONEY MARKETS

London clearing bank base lending rate 13 1/2 per cent (since February 25). Interest rates were little changed in the London money market yesterday.

THE POUND SPOT AND FORWARD

Table showing pound spot and forward rates for various currencies including U.S., Belgium, Denmark, and others.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Table showing Euro-currency interest rates for various currencies and terms.

FT LONDON INTERBANK FIXING (11.00 a.m. FEBRUARY 26)

Table showing interbank fixing rates for 5 and 6 month U.S. dollars.

LONDON MONEY RATES

Table showing London money rates for various currencies and terms.

OTHER CURRENCIES

Table showing exchange rates for various international currencies.

EMS EUROPEAN CURRENCY UNIT RATES

Table showing EMS European currency unit rates for various currencies.

UK CONVERTIBLE STOCKS 27/2/82

Table showing UK convertible stocks with columns for Name and description, Size, Current price, Terms, Conversion date, Flat yield, Red. yield, Premium, Range, Equiv. Conv. Div., and Current.

EXCHANGES AND BULLION

The dollar improved in fairly quiet foreign exchange trading yesterday, helped by a slightly firmer trend in Eurodollar interest rates.

GOLD

Table showing gold prices and movements for various currencies.

CURRENCY MOVEMENTS

Table showing currency movements and changes for various currencies.

NOTES

Number of ordinary shares when 100 nominal of convertible stock is convertible. The extra cost of investment in convertible stock is expressed as a percentage of the value of the underlying equity.

STATISTICS

Statistics compiled by DATASTREAM International. Cheap (+) Dear (-) symbols indicating price changes.

Companies and Markets

LONDON STOCK EXCHANGE

Worries about falling oil revenue add to uncertainty Equities continue to fall and Gilt-edged also retreat

Account Dealing Dates
\*First Declara- Last Account
Dealings tions Dealings Day
Feb 15 Feb 26 Mar 8

The last trading Account before
the Budget ended on a drab note
in London stock markets yesterday.

Worries about falling North Sea
oil revenues, the Prime Minister's
recent warning against high
expectations for tax cuts in the
coming Budget and the ICI chairman's
extremely cautious view of
economic prospects for the
remainder of the year all served
to unsettle markets.

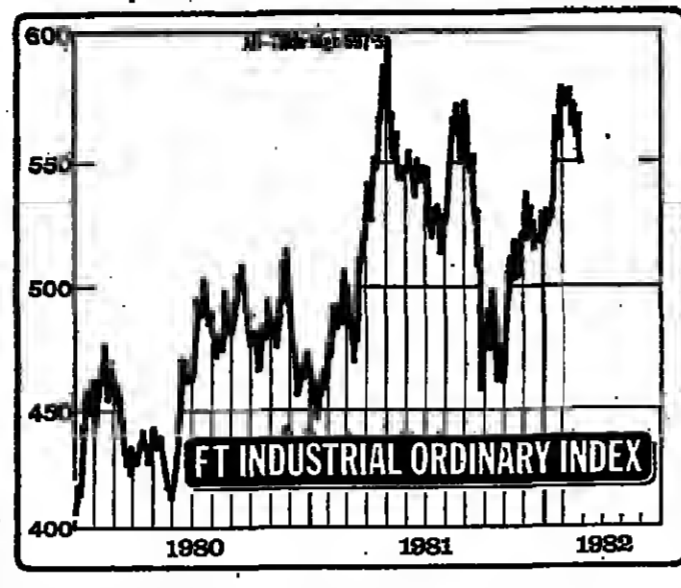
Guinness Peat better
A dull market of late on
nervousness about the
interim figures scheduled for
March 16, Guinness Peat attracted
support and touched 65p before
closing a net 4 dearer at 62p—
still down 6p on the week. Else-
where in merchant banks, Henry
Ansbacher hardened a fraction
to 15p on further consideration
of the company's agreed bid for
Seascope Holdings and the
proposed £5.6m rights issue. The
major clearing banks drifted

lower with the general trend.
Barclays, the next to report
preliminary results on Monday,
lost 6 to 450p. Similar falls were
seen in Lloyds, 422p, Midland, 332p,
and NatWest, 460p.

Quietly dull conditions
persisted in the Brewery market,
falls of a penny or so being
marked against Bass, 220p,
Greensall Whitley, 109p, and
Whitbread A, 99p.

Press comment drawing
attention to the company's reduced
overseas earnings because of
exchange rate differences prompted
further selling of Blue Circle,
which shed 10 more to 450p; three
weeks ago, the shares were
trading around the 550p level.

With recent interest rate
optimism fuelled by this week's
half-point cuts in base lending
rates, investors in Gilt-edged
securities returned to the sidelines.
Light selling, mostly re-
presenting profit-taking, brought
falls ranging to a point and more
among longer-dated stocks, before
the announcement of reduced
Treasury bill rate generated a
steadier tendency. The longs
closed around 3 down on the
session, while the shorts ended
a maximum of 1 lower, the
recently-exhausted top 250-paid
Exchange 131 per cent 1987 A
lost that much at 20 1/2 for a
week's rise of 1.



The tone in Motor Components
improved late and quotations,
inclined easier during the house
session, picked up to close
narrowly mixed. Dowry finished
2 cheaper at 113p, after a 1981/82
low of 112p, while Lucas slipped
to 203p before rallying late to
close a net penny dearer at 209p.

Thorn EMI down again
The Electrical leaders passed
another dull session on persistent
selling and lack of support. Thorn
EMI sustained a fall of 7, taking
the decline on the week to 23 at
445p. Plessey touched 357p at the
outset after comment on the
third-quarter results but later
succumbed to the general trend
and closed 5 cheaper at 380p.

Metal Box easier
Industrial leaders drifted lower on
quiet and unaccustomed influences.
Metal Box, lost 6 to 168p on revised
talk of a pending rights issue.
Reed International came on
offer at 256p, down 10, while
Pilkington cheapened 5 to 270p
and Gaxco, 472p, and Bechtel and
Colson, 478p, each 4 apiece.
Elsewhere, Shellcity fell 14 to
273p on the company's planned
\$40.6m acquisition of Meats
Services of the U.S. and proposed
planning of 4.4m new ordinary
shares at 250p, each to carry
dividend. Revived hopes
of a bid from Metal, the invest-
ment concern which recently
acquired a near-26 per cent stake

in the company, saw Inter-City
Investment move up 3 to 52p.
Still reflecting recovery hopes,
Easterns gained 2 more to 185p,
while Associated, Commun-
ication Corporation A, hardened a
penny to 51p; the court's judge-
ment on the bids for the group
is expected on Monday. British
Aerospac dipped 6 to 175p and
Extel lost 10 to 370p. Dealings in
Sangers were suspended at 49p
pending an announcement.

Among Paper/Printings, Olives
Paper Works closed 2 dearer at
25p, after 26p, on the return to
profitability.
Properties drifted easier in the
absence of support, Land Securities
closing 3 cheaper at 220p
and M&PFC a penny off to 45p.
Eastenders Estates shed 4 to 380p
and Peschey a couple of pence
to 152p. Daejan, a strong market
earlier in the week on the
interim results and property re-
valuation, gave up 1 to 202p,
after 200p, but retained a gain
on the week of 28. Occasional
selling clipped 3 from Estate
Property Investment, to 151p and
5 from Rosehange, to 250p, but
Sanger remained a firm counter-
part, hardened a penny to a gain
on the week of 7 to 104p.

Oils on offer
Overshadowed by the down-
ward pressure on spot crude
prices, Oil shares put on another
dull performance. Shell weak-
ened 10 to 338p and British
Petroleum eased a couple of
pence to 378p. Ultramar, down 10
further at 380p, remained de-
pressed by rights issue rumours.
Exploration issues were note-
worthy for a fall of 13 for a drop
on the week of 56 to 285p in
Berkeley. Canadeca eased 4 to
174p, but Eglinta took a turn
for the better after recent fall-
ness and rallied 5 to 50p. Hunt-
ing Petroleum were quoted ex
rights at 184p, with the new mid-
paid shares at 26p premium and
the 10 per cent Convertible Loan at
23 premium.

Overnight support in Sydney
and Melbourne markets
prompted a firmer tone in
Australian shares. Mr Alan Bond's
Australian statement in clarifying
the company's financial position
helped recently weak Bend
Corporation to rally 10 to 100p.
Ashton rose 5 to 67p and Pan-
continental 4 to 108p.

Shipings drifted lower, P and
O Deferred easing 2 to 125p and
Lois 2 to 54p.

Among Tobacco, Imps en-
countered profit-taking and eased
a penny to 85p, while Bats gave
up 5 to 423p.

South African Financials
found a shade easier for
choice. In Diamonds, De Beers
gave up 9 to 330p. Gold Fields
of South Africa closed 1 off at
228p but Rand London were a
notable exception to the general
trend with a jump of 17 to 95p
on "cheap" buying in a
restricted market.

The slight weakening of the
Financial Rand and the lack of
U.S. interest led to quiet trading
in Gold shares. Bullion opened
easier and drifted further to
close at \$363 per ounce, down
\$3.25. The Gold Mines index
finished 1.9 lower at 283.4 for a
net rise of 2.1 on the week.

Table with columns: Index, Feb 26, Feb 25, Feb 24, Feb 23, Feb 22, Feb 21, Feb 20, A year ago. Rows include Government Secs, Fixed Interest, Industrial Ord, Gold Mines, etc.

Basis 100 Govt. Secs. 15/10/78. Fixed Int. 1928. Industrial Ord. 17/75.
Gold Mines 12/9/56. SE Activity 1974.
10 mm 55/16. 11 pm 54/7.4. Noon 54/7.1. 1 pc 56/4.
2 pm 54/7.3. 3 pm 54/5.4.
Latest Index 01-266 8025.
\* Nil = 10.58.

Table with columns: 1981/2, Since Completn, Feb 25, Feb 24. Rows include Govt. Secs, Fixed Int., Ind. Ord., Gold Mines.

Table with columns: Allied Res, BUILDINGS (2), STONES (1), Time Products, INDUSTRIALS (1), etc.

Table with columns: Rises Falls Same, Yesterday, On the week. Rows include British Funds, Corps. Dom. & Foreign Bonds, etc.

Table with columns: Closing price, Day's change, Stock, Closing price, Day's change. Rows include Amer sham Int, Blue Circle, etc.

Table with columns: Thursday's closing price, Thursday's closing price, Stock, Thursday's closing price, Thursday's closing price.

Table with columns: No. of closing price, No. of closing price, Stock, No. of closing price, No. of closing price.

Table with columns: Ex-prime price, Closing offer, Vol., Closing offer, Vol., Closing offer, Vol., Equity close.

Table with columns: Issue price, 1981/2, Stock, Change, etc.

Table with columns: Issue price, Latest Rann. Date, 1981/2, Stock, Change, etc.

FT-ACTUARIES SHARE INDEX

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Large table with columns: EQUITY GROUPS & SUB-SECTIONS, Fri Feb 26 1982, High, Low, etc.

Table with columns: PRICE INDICES, British Government, 1-5 years, etc.

LEADERS AND LAGGARDS

Table with columns: Percentage changes since December 31 1981 based on Thursday, February 25, 1982.

RECENT ISSUES

Table with columns: Issue price, 1981/2, Stock, Change, etc.

FIXED INTEREST STOCKS

Table with columns: Issue price, 1981/2, Stock, Change, etc.

"RIGHTS" OFFERS

Table with columns: Issue price, Latest Rann. Date, 1981/2, Stock, Change, etc.

LONDON TRADED OPTIONS

Table with columns: Option, Ex-prime price, Closing offer, Vol., Closing offer, Vol., Closing offer, Vol., Equity close.



AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as Abbey Unit Tr. Mgrs., Alliance Unit Tr. Mgrs., and others, including their names, addresses, and contact information.

FT UNIT TRUST INFORMATION SERVICE

Main table containing detailed information for numerous unit trusts, including names like Saver & Prosper Group, Barclays Life Assur. Co. Ltd., and others, with columns for unit names, values, and other financial details.

NOTES: Provides additional information and disclaimers regarding the unit trust data presented in the table.

INSURANCE PROPERTY BONDS

Table listing insurance and property bond services, including companies like Abbey Life Assurance Co. Ltd. and others, with their respective details.







INDUSTRIALS—Continued

Table listing various industrial stocks with columns for stock name, price, and other financial metrics.

LEISURE

Table listing leisure-related stocks such as hotels and resorts.

PROPERTY—Continued

Table listing property and real estate stocks.

INVESTMENT TRUSTS—Cont.

Table listing investment trusts.

OIL AND GAS—Continued

Table listing oil and gas stocks.

MINES—Continued

Table listing mining stocks.



MINES—Continued

Table listing mining stocks, including a section for 'Australians'.

MOTORS, AIRCRAFT TRADES

Table listing motor and aircraft trade stocks.

SHIPPING

Table listing shipping stocks.

SHOES AND LEATHER

Table listing shoe and leather stocks.

SOUTH AFRICANS

Table listing South African stocks.

OVERSEAS TRADERS

Table listing overseas trader stocks.

RUBBERS AND SISALS

Table listing rubber and sisal stocks.

TEAS

Table listing tea stocks.

NEWSPAPERS, PUBLISHERS

Table listing newspaper and publisher stocks.

PAPER, PRINTING ADVERTISING

Table listing paper, printing, and advertising stocks.

TOBACCOS

Table listing tobacco stocks.

TRUSTS, FINANCE, LAND

Table listing trusts, finance, and land stocks.

MINES

Table listing mining stocks.

REGIONAL MARKETS

Table listing regional market data.

NOTES

Notes providing additional information and disclaimers regarding the data.

PROPERTY

Table listing property stocks.

INSURANCE

Table listing insurance stocks.

FINANCE, LAND, etc.

Table listing finance, land, and other stocks.

OIL AND GAS

Table listing oil and gas stocks.

DIAMOND AND PLATINUM

Table listing diamond and platinum stocks.

OPTIONS

Table listing options data.

RECENT ISSUES AND RIGHTS

Table listing recent issues and rights data.